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TODAY:
STAGE



Mr. Clinton and his wife, Hillary, with Mr. Gephardt, left, and Mr. Daschle, about to leave Washington on Tuesday for the funeral of former Senator Albert Gore, the vice president's father, in Nashville, Tennessee.

Follow U.S. Strategy, Albright Urges NATO

Future Threats Require New Vision, She Says

By William Drozdzak
Washington Post Service

BRUSSELS — In an ambitious appeal to expand NATO's strategic horizon, the U.S. secretary of state, Madeleine Albright, urged the European allies on Tuesday to embrace an American vision of the Western military alliance to cope with more distant threats in the 21st century.

Mrs. Albright told a meeting of NATO foreign ministers that the world's changing security environment meant that "a ballistic missile attack using a weapon of mass destruction from a rogue state" now posed as much a threat to their territory as it did to the Pacific.

"We must be prepared because we know that events beyond NATO's immediate borders can affect vital alliance interests," Mrs. Albright said. "Common sense tells us that it is sometimes better to deal with instability when it is still at arm's length than to wait until it is at our doorstep."

Several ministers noted that the debate about the destiny of the North Atlantic Treaty Organization has barely been touched only five months before alliance leaders are scheduled to gather in Washington to mark its 50th anniversary and to approve a security blueprint that will chart its future course.

Since NATO's last strategic review, seven years ago, its original purpose of containing the threat of communist expansion has expired with the collapse of the Soviet Union's empire. There are sharp differences over the scope of NATO's future mission and the authority under which the alliance should act.

Some European governments fear being dragged into distant conflicts, and insist that their strategic interests are much narrower than those of the United States. Others are worried that an expansive NATO vision could foster regional security blocs, especially if the alliance goes so far as to replace the Soviet Union's role in the Balkans.

"There are differences in approach that will eventually have to be resolved," said Foreign Minister Hubert Vedrine of France. "We generally take the view that NATO should not be too elastic in interpreting its global interests."

See NATO, Page 6

Jakarta Jars Its Neighbors

Nearby Countries, Fearing a Rush of Refugees, Are Publicly Worried About Indonesian Unrest

By Michael Richardson
International Herald Tribune

SINGAPORE — Amid new warnings that Indonesia is sliding toward serious domestic unrest, neighbors of the world's fourth-most populous nation are expressing increasing concern that it may become an infectious source of instability in Southeast Asia.

Senior Australian and Philippine officials worried aloud recently about the emergence of competing centers of power in Indonesia that lack the strength or authority to contain social and political forces being fueled by the country's economic crisis.

The Business Times of Singapore said in an editorial Tuesday that "Indonesia remains on the brink of a breakdown of social order," and called on President B. J. Habibie to take action.

In Washington, alarm bells have already sounded, officials say. In what appeared to be a veiled warning to the military not to attempt a takeover, the deputy assistant secretary of defense, Kurt Campbell, said recently that if the armed forces in Indonesia subverted political reform, the Pentagon would almost certainly cut off aid.

Should violence increase among the 200 million Indonesians, the consequences most feared by the country's immediate neighbors are a mass exodus of refugees and a breakup of the inherently fragile island nation.

"The major concern here," said Foreign Minister Domingo Siazon of the Philippines, "is that we have a neighbor, a very close neighbor, a very friendly neighbor, that is now going through this major challenge. The immediate impact of a collapse in the economy would be refugees and how to deal with a great number of refugees."

He said that some groups in Indonesia were trying to break the country into parts, a result that would have "serious" implications for his country. The Philippines has a Christian majority but an armed and radical Muslim minority that is seeking to carve out an independent state in the south, which is adjacent to Indonesia and Malaysia, where Muslims are in the majority.

Separatist strains in East Timor and

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Separatist strains in East Timor and

See INDONESIA, Page 14

Misleading, Even Maddening' but Not Impeachable Clinton Defense Opens in House

His Ouster Not Justified By His Acts, Lawyers Say

By Brian Knowlton
International Herald Tribune

WASHINGTON — Lawyers for President Bill Clinton opened an impassioned defense Tuesday before the House Judiciary Committee, acknowledging that his testimony about his relationship with Monica Lewinsky had been "evasive, incomplete, misleading, even maddening" but insisting that it fell far below the constitutional bar for removal from office.

Greg Craig, the White House special counsel, told Judiciary Committee members at the outset of two days allocated for Mr. Clinton's defense, that the president felt "profound and powerful regret for what he has done." Mr. Craig sought to strike a calm and cooperative tone and to avoid further infuriating Republicans already angered by Mr. Clinton's legalism. He said that he and other members of the Clinton team would offer a "powerful case" against impeachment.

Partial text of House testimony. Page 4. • Republican whip leads the charge against Clinton. Page 15.



'He is genuinely sorry for the pain and the damage that he has caused and for the wrongs that he has committed.' Greg Craig, White House special counsel

What Else Can the President Do Now?

His Advisers Debate the Legal Dangers of a Public Statement

By John F. Harris and Dan Balz
Washington Post Service

WASHINGTON — As White House lawyers began their defense of President Bill Clinton before the House Judiciary Committee, presidential advisers were wrestling with the question of whether there is anything Mr. Clinton can or should do publicly to try to prevent the House from impeaching him.

Many of the House members who hold Mr. Clinton's fate in their hands say they need to hear more from the president: a forthright admission that he lied under oath about his relationship with Monica Lewinsky and a stronger statement that he recognizes the grave public consequences of his private misbehavior.

But it is not clear to many White House advisers that even that would be enough to sway the votes to block impeachment on the House floor and they fear that it could subject him to criminal prosecution by the independent counsel Kenneth Starr when he leaves office. The White House's challenge is

an echo of the essential conflict Mr. Clinton has faced for months — balancing his political need to confess error and express contrition with the legal need to protect himself from criminal jeopardy. And it is what makes the next few days so consequential for his presidency.

Neither public opinion polls nor the strong Democratic showing in the midterm elections last month has prompted more than a trickle of House Republican members to come out against impeachment. For a White House that has lived on polls, the idea that the House would defy opinion so brazenly is both baffling and frightening.

The strategy for the next week is to force House members — especially moderate Republicans who now hold the balance of power — to confront both the political and historical implications of the vote.

For weeks the White House has tried to portray the proceedings in the Judiciary Committee as a sideshow while the

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AGENDA

Blackout Cripples San Francisco

SAN FRANCISCO (AP) — A city-wide blackout Tuesday cut off power to nearly a million people, forcing a halt of trains, planes and street traffic. Shops and offices had to shut and pedestrians were left scrambling.

The outage occurred about 8 A.M. when a crew at a substation made a mistake involving a temporary ground. Electricity was beginning to be restored by midmorning, but the outage was expected to last several hours.

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The Internet Page 7.
The IHT on-line www.ihl.com

The Dollar		
	Tuesday @ 4 P.M.	previous close
DM	1.6687	1.6795
Yen	119.035	119.75
FF	5.5899	5.6333
Frank	1.658	1.6515
The Dow		
	Tuesday close	percent change
Dow	9,027.98	-0.47%
S&P 500	6.36	-0.54%
Nasdaq	6.13	-0.30%

German Jobless Rise
Unemployment in Germany rose in November for the first time this year as cold weather hampered construction, raising fears that Europe's largest economy would grow less than forecast. Page 17.

Iran Seeking Help to Build Germ Arsenal, Russians Say

By Judith Miller
and William J. Broad
New York Times Service

MOSCOW — Iran is scouring the former Soviet Union to hire scientists who once worked in laboratories tied to Moscow's vast germ warfare program and has succeeded in recruiting some of them to take jobs in Tehran, according to Russian scientists and American officials.

Iranian officials who report directly to the leadership of the Islamic state have approached dozens of scientists who once made germ weapons, offering as much as \$5,000 a month to people who earn far less than that a year in the increasingly chaotic Russian economy. Russian scientists say that most of these entreaties have been rebuffed. But they acknowledge that at least five of their colleagues have gone to work in Iran in recent years.

Others have accepted contracts that allow them to continue living in Russia while conducting research for Tehran, the scientists said.

In interviews in Russia and neighboring Kazakhstan, more than a dozen scientists who formerly worked on the Soviet germ warfare program reported contacts with Iran, and two said they had been asked specifically to help Tehran make biological weapons. American officials say that many more Russian scientists have revealed such contacts and believe that Iran is developing a germ arsenal.

Iran has powerful reasons to want such weapons and openly expressed interest in acquiring them a decade ago. Most Iranians believe that Iraq used biological, as well as chemical, weapons in the Iran-Iraq war in the 1980s, and many other countries in the region, including Israel and Syria, are suspected of having germ arsenals. Gholamhossein Dehghani, counselor to Iran's mission to the United Nations, said that many foreign scientists worked

Astronauts Hook Up Space Station's 'Nervous System'

By Kathy Sawyer
Washington Post Service

HOUSTON — In a spacewalk that lasted almost seven and a half hours, astronauts from the shuttle Endeavour have converted the lifeless core of the new international space station into a functioning structure that can keep itself warm and communicate with its creators.

Jerry Ross and James Newman climbed out of an airlock in the shuttle's cargo bay at 22:10 GMT on Monday and began hooking up 40 power and communication cables between the two components of the seven-story structure.

"The nervous system, if not the heart, of the space station will be coming alive," the NASA flight director, Robert Castle, said as the stage was set for the first assembly spacewalk.

Mr. Ross and Mr. Newman successfully argued for an early start to make sure they could get all their work done. As it turned out, they finished their planned tasks early and got a head start on chores scheduled for their next spacewalk Wednesday.

The only mishap occurred when Mr. Ross reported that a metal socket for a foot restraint had come loose and floated away. Commander Robert Cabana cautioned that the socket, about the size of a coffee mug, was floating about 20 feet (six meters) above the orbiter. Ground controllers instructed the crew to monitor it to make sure there was no threat of collision.



Jerry Ross linking the core of the space station with a cord between the Russian-built Zarya, top, and the U.S.-built Unity.

walker would break free and go drifting off into the void.

Providing detailed descriptions of their work to one another and their support teams over their spacetalk microphones, the two began at the bottom of the station, which is projecting upward from the shuttle cargo bay, and worked their way outward. The 35-ton edifice, made up of the Russian-built Zarya module and the U.S.-built Unity node, towers 76 feet above the shuttle.

Mr. Ross was anchored in a foot restraint on the end of the shuttle's 50-foot robot arm while a crewmate inside the shuttle cabin, Nancy Currie, moved the arm to each site. Mr. Newman carried a portable foot restraint that he installed where needed on the station. The pilot, Rick Sturckow, helped coordinate the operation from inside the shuttle.

The operation provided dazzling television images. The tiny humans clambered around like knights in white armor, scaling the glowing white tower that leaned into the blackness of space above a blue curve of Earth 240 miles (390 kilometers) below.

Riding the arm over the structural surfaces, Mr. Newman detached stowed cables and handed them to Mr. Ross, who was hanging upside down on the arm nearby, so he could plug the cables into eight sockets along Unity's hull. By 00:30 GMT on Tuesday, Mr.

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Newstand Prices	
Andorra	10.00 FF Lebanon
Antilles	12.50 FF Morocco
Cameroon	1.800 CFA Cote d'Ivoire
Egypt	10.00 FF Reunion
France	10.00 FF Saudi Arabia
Gabon	1.100 CFA Senegal
Italy	3.000 Lit Spain
Japan	1.250 Yen Taiwan
Jordan	1.250 JD U.A.E.
Kuwait	700 Pils U.S. Mail (Eur)

POLITICAL NOTES

On the final day of a 90-day review period provided under the independent counsel law, Ms. Reno concluded Monday that no further criminal investigation of Mr. Clinton was warranted because there was "clear and convincing evidence that the president and vice president lacked the criminal intent to violate the law." The conclusion was based on Ms. Reno's finding that their decisions had been

Ms. Reno had already effectively dismissed most of the accusations of shady

The commercials, which began to be broadcast as early as August 1995, never explicitly urged a vote for the president. But they were not subtle. "Dole-Gingrich vote no

"The system is broken and needs to be fixed," he said. "Soft money is the loophole that ate the law."

Opening a meeting Tuesday on Social Security reform, President Clinton told lawmakers and policy advocates: "Our ears and our minds must remain open to any good idea and to any person of good will." (WPA)

TAILS IT IS — Mary Ellen Withrow, the U.S. treasurer, showing off a freshly minted Delaware quarter, one of 50 new state versions. Caesar Rodney, a Revolutionary War figure, is featured.

• Fumes from a cooking grill killed three Pennsylvania men trying to keep warm while sleeping in tents during a weekend fishing trip in New Jersey. (AP)

• **George Roden, 60,** the former Branch Davidian leader who had been in state care since he was declared insane in 1989, was found dead outside a mental institution in Big Spring, Texas. He had escaped and apparently died of a heart attack. (AP)

• A former cabinet maker who killed three women in separate 1987 attacks was executed by lethal injection Monday at a state prison in Huntsville, Texas. (Reuters)

• **The Roman Catholic Diocese in Rochester, New York, has suspended a priest who conducted same-sex weddings, served Holy Communion to non-Catholics and allowed a woman to perform priest-like duties. (AP)**

This right, which the United States demands for its citizens arrested abroad, has been routinely denied to foreigners arrested in the United States, human rights advocates contend.

Mrs. Albright agreed to ask Mr. Bush to grant a 30-day

There is little dispute about the basic facts of the crime: Mr. Faulder, a drifter with a prison record, met a woman in an East Texas pool hall in 1975 and hatched a plan to rob an elderly oil widow. It went badly. The safe in the widow's house was empty.

"There is a golden rule," Mr. Warren said. "If the United States expects the rights of its citizens to be protected abroad, it must provide those rights to foreigners in the United States. This is not rocket science. And the U.S. State Department is painfully aware, I think, that they are on very thin ice."

Foreign Minister Rosario Green, who recently made a cordial visit to Havana, called in the Cuban ambassador, Curbelo Padron, to express "deep puzzlement" over the outburst and called in the Mexican envoy for consultations.

A congressman from President Ernesto Zedillo's governing Institutional Revolutionary Party, or PRI, Francisco Javier Santillan Ocegueda, called Mr. Castro's remarks an intervention in Mexico's internal affairs.

WASHINGTON — A unanimous U.S. Supreme Court ruled Tuesday that the police could not carry out a full-fledged search of motorists and their vehicles if they had only been stopped and ticketed for routine traffic violations.

The high court, in an opinion by Chief Justice William Rehnquist, refused to give the police the same power to conduct a search in cases of traffic citations as has existed since 1973 for motorists who have been arrested.

The ruling was unusual in that the conservative-controlled court in recent years

In the first two decades of Mr. Castro's revolution, Mexico was the only major Latin country whose guerrillas he refused to train. Mr. Castro even held his tongue in recent years, as Mexico has mostly abandoned its "anti-Yankee" foreign policy in favor of closer economic integration

"But they sure know Mickey Mouse," he added, to the nervous titers of diplomats and economists.

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Hearings at the Capitol / The President's Side

What Clinton Defenders Told House Committee

The Associated Press

This is a partial text of statements by witnesses for President Bill Clinton on Tuesday before the House Judiciary Committee.

The first to speak was Greg Craig, White House special counsel.

The time has finally come for the president to make his case and to give his side of the story. Over the next two days, we will present to this committee, to the Congress and to the country as a whole a powerful case based on the facts already in the record and on the law, a powerful case against the impeachment of this president.

During our presentation today and tomorrow, we will show from our history and our heritage, from any fair reading of the Constitution and from any fair sounding of our countrymen and women that nothing in this case justifies this Congress overturning a national election and removing our president from office.

As we begin this undertaking, I make only one plea to you. And I hope it is not a futile one, coming this late in the process: Open your mind; open your heart; and focus on the record.

As you sit there listening to me at this moment, you may already be determined to vote to approve some articles of impeachment against this president. That is your right and your duty if you believe the facts and the law justify such a vote.

But there is a lot of conventional wisdom about this case that is just plain wrong. And if you are, in fact, disposed to vote for impeachment, in the name of a justice that is fair and blind and impartial, please do so only on the basis of the real record and on the real testimony, not on the basis of what someone else tells you is in the record.

By the close of tomorrow, all the world will see one simple and undeniable fact. Whatever there is in the record that shows that the president did what was wrong and blameworthy, there is nothing in the record in either the law or the facts that would justify his impeachment and removal from office.

In truth, I would not be fairly representing President Clinton if I did not convey to you his profound and powerful regret for what he has done. He has insisted and personally instructed his lawyers that no technicalities or legalities should be allowed to obscure the simple moral truth that his behavior in this matter was wrong. He misled his wife and family, his friends and colleagues, and our nation about the nature of his relationship with Ms. Lewinsky.

The president wants everyone to know, the committee, the Congress, and the country that he is genuinely sorry for the pain and the damage that he has caused and for the wrongs that he has committed. But as an attorney, I must caution this committee to draw a sharp distinction between immoral conduct and illegal acts.

Just as no fancy language can obscure the simple fact that what the president did was morally wrong, no amount of rhetoric can change the legal reality that there are no grounds for impeachment.

As surely as we all know that what he did is sinful, we all know it is not impeachable. Let me assure the members of this committee, the members of the House of Representatives and the American public of one thing.

In the course of our presentation today and tomorrow, we will address the factual and evidentiary issues directly. We will draw this committee's attention to evidence that tends to clear the president with respect to each of the various charges — evidence that was left out of the independent counsel's referral, evidence that has not been widely reported in the press, but evidence that reveals the weakness of the charges being brought against the president. And we are confident that at the end of this presentation, you will agree that impeachment is neither right nor wise nor warranted.

When it comes to constitutional standards for impeachment as conceived by the founding fathers, we will show that the Constitution requires proof of official misconduct and abuse of high public office for the drastic remedy of impeachment to be appropriate. When it comes to standards of proof that should apply to the evidence that is brought before this committee, we will argue that this president should be considered innocent until proven guilty. And that he should be informed with particularity as to the facts and specifics of the misconduct that he is accused of — especially, when it comes to the allegations of perjury.

On those allegations, we will show that neither the law of perjury nor the facts of this case could sustain a criminal prosecution, much less impeachment.

Mr. Chairman, I am willing to con-



Luka Prazak/Agence France-Press

cede that, in the Jones deposition, the president's testimony was evasive, incomplete, misleading, even maddening, but it was not perjury.

On the allegation of perjury before the grand jury, which we all agree is the more serious offense, please look at the real record, not the referral's report of that record. Millions of Americans watched that testimony. They concluded, as I believe that you too will find, that in fact, the president admitted to an improper, inappropriate and intimate relationship with Ms. Lewinsky. He did not deny it, he admitted it.

Fair-minded Americans heard what the president said and they knew what the president meant.

When it comes to allegations that the president with Ms. Lewinsky, Ms. Currie and Mr. Jordan obstructed justice, we will show that the evidence presented in the referral is misleading, incomplete and frequently inaccurate. We will show that the president did not obstruct justice with respect to gifts, the job search or the affidavit. And we will show that the president did not seek wrongfully to influence Ms. Currie's testimony.

Again, we will ask you to look at the real record, not the referral's version of the record. And the real record shows that the sworn testimony of Ms. Lewinsky, Ms. Currie and Mr. Jordan, far from incriminating the president, actually exonerates him. And yet their testimony, although crystal-clear before the grand jury, is edited, modified, qualified or ignored in the referral.

When it comes to allegations that the president abused his office, we will show that the president's assertions of executive privilege were perfectly proper and that the claims of attorney-client privilege were justified under the circumstances.

And when it comes to allegations that the president used the power of his office to mislead his aides, not as one might think, for the purpose of protecting himself and his family, but as alleged, to mislead the grand jury, we will show that false denials about an improper private relationship, whether those denials are made in private or before the entire world, simply do not constitute an abuse of office that justifies impeachment.

Finally, Mr. Chairman, before introducing the distinguished members of this panel, let me just point out that in the course of this impeachment inquiry the members of this committee have learned nothing new either about the Lewinsky matter or about any other matter warranting consideration in these proceedings, except that the president has finally, if belatedly, been cleared on the charges concerning Whitewater, the file matter and the Travel Office.

There has been no new evidence and there are no new charges. So I say to the members of the committee, if back in September, when you received this referral, if back in October when you voted to conduct this inquiry, if back then you didn't think that the referral justified impeaching President Clinton, there is no reason for you to think so today.

There can be no more solemn or awesome moment in the history of this republic than when the members of the House of Representatives contemplate returning an article of impeachment against the president of the United States. There can be no more soul-searching vote in the career of a member of the House of Representatives than when he or she considers impeachment of the president of the United States.

These are weighty issues, and great moments of conscience and con-

sequence. Please do not let the passion of partisan politics on either side blind your eyes to the truth of the law, the evidence, and above all, the national interest.

This first panel of witnesses is composed of a distinguished public servant and a group of eminent scholars who will testify about the history of impeachment and the constitutional standards that should govern impeachment.

The second panel of witnesses will bring the wisdom of hard-won experience — experience, Mr. Chairman, earned in this very room serving on this very committee under the leadership of that distinguished chairman, Peter Rodino, whose portrait hangs on the wall before me. They will bring that wisdom to bear on the vital issue of what was abuse of power by a president in 1974 compared with the allegations and the evidence of abuse of power by this president in 1998.

The third panel of witnesses will discuss how we should examine and evaluate the evidence that is before us, with respect to the abuse of power and the fact-finding process. And then tomorrow, we will hear the testimony of a fourth group of witnesses, experienced lawyers in the criminal justice system, who will shed light on prosecutorial standards for bringing criminal cases alleging perjury and obstruction of justice.

To close, tomorrow afternoon, Charles Ruff, counsel to the president, will present the president's final defense to the committee and respond to questions.

Nicholas Katzenbach, former attorney general:

A great deal has been written and spoken on the subject of impeachment by the media, by members of Congress, by witnesses testifying before this committee, by academics and others — so much, in fact, that it seems to me we're in danger of losing sight and understanding the fundamentals. So in the hope of simplifying a complex issue, I'd like to begin with some fundamentals that are not, I believe, controversial.

The process of impeachment is simply to remove from office upon conviction, not to otherwise punish the person involved. The Constitution provides the legislative branch, the Congress, with this means of removing from office the president, the vice president, and all civil officers upon conviction of treason, bribery, or other high crimes and misdemeanors. The threshold problem for the committee is, of course to determine what constitutes high crimes and misdemeanors which would justify removal from office of an elected president.

The phrase "high crimes and misdemeanors" is not a familiar one in modern American jurisprudence. At common law, it constituted the category of political crimes against the state, and neither high crime nor high misdemeanor have ever been terms used in the criminal law.

In the United States, one of the founders, James Wilson, made essentially that point when he wrote that, "Impeachments are confined to political characters, to political crimes and misdemeanors, to political punishments." Or, as Justice Story observed, impeachment is, "a proceeding, purely of a political nature, is not so much designed to punish an offender as to secure the state against gross political misdemeanors. It touches neither his person nor his property, but simply divests him of his political capacity."

The problem which the founders



Greg Cramer/The Associated Press

Taking the oath Tuesday as witnesses before the House Judiciary Committee hearings were, from left, Nicholas Katzenbach, Bruce Ackerman, Sean Wilentz and Samuel Beer. They were all part of the defense team for President Bill Clinton as the White House was given two days to present its case against impeachment. Mr. Clinton, at left, was not present at the hearing but was taking part in Social Security meetings.

Clinton, and your reputations will be darkened for as long as there are Americans who can tell the difference between the rule of law and the rule of politics.

Representative George Gekas, Republican of Pennsylvania:

Professor Wilentz, your testimony has really astounded me. And I want to question you on one phase of it. You seem to indicate that if any one of us, any member of Congress should vote for impeachment, there will always be the question in your mind as to whether we did it out of cravenness or under a resolution and study and analysis and conscience.

And I hope that after this is over that you take a roll call of those who voted and then analyze for us — it'll take you 100 years — to determine whether we did it out of cravenness or not. I think that's a despicable way to characterize in advance a possible vote on some serious note as this. That's number one.

General Katzenbach, you seem to have placed a great deal of emphasis on the difference between a criminal offense and a political offense that is couched in impeachment. And I agree with you that it is substantially if not totally a political process. If the president of the United States refused to grant requests to the Congress time and time again and the Congress felt that it should judge the president in contempt of Congress, you would consider that a political, not a criminal, offense, would you not?

Mr. Katzenbach: If it was an offense at all, it would be political, yes.

Mr. Gekas: Yes, yes. And so the Congress, if it felt on a series of contempt instances that it would proceed, you would not automatically discount that as an impeachable offense, would you?

Would this not be a refutation or a knock in the eye to another branch of government that the president was indulging in?

Mr. Katzenbach: It might be that, sir, but I don't think that the Constitution provides, under "high crimes and misdemeanors," for refusal of the president to do what the Congress wants it to do. There are other ways in which the Congress deals with that problem and, frankly, sir, this is simply not one of them. No, I would not regard that as grounds for impeachment.

Mr. Gekas: So that you have no idea, as you are testifying here, what high crimes and misdemeanors might be?

Mr. Katzenbach: Oh, I have a good idea what they might be, yes, sir.

Mr. Gekas: And you're saying that perjury, which would be a direct affront to the judicial process, could not be considered fairly by any of us as being an impeachable offense. If indeed giving false statements under oath in a judicial proceeding can be fairly characterized by many of us who are analyzing this as an affront to the other branch of government, meaning the judiciary, the judicial branch of government, you think that the commission of a statutory crime, common law crime of false statements under oath, or just obstructing justice by giving false statements under oath would not arise to an impeachable offense; is that what you're saying to us?

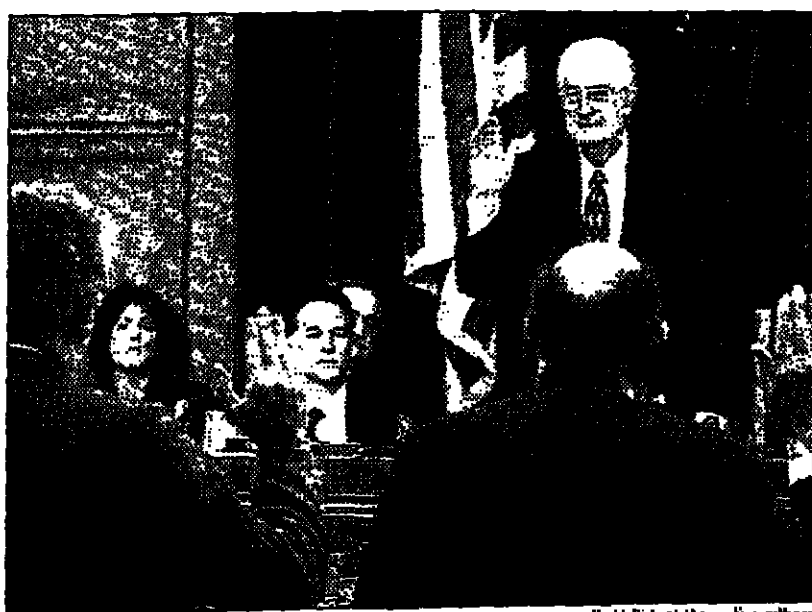
Mr. Katzenbach: No, sir, that's not what I am saying. I am saying that all of those could be impeachable offenses if the effect of that was to destroy public confidence in the ability of the president to play his role in the government.

Mr. Gekas: And you say that the fact that he confronts the judiciary and attacks the judiciary by virtue of a perjury would not be an attack on the constitutional system, is what I hear you saying?

Mr. Katzenbach: That's not what I'm saying; it may be what you hear, but it is not what I am saying.

Mr. Gekas: Would you agree that we have a difference of opinion and that we would not be craven if we decided that perjury committed by the president of the United States, if so concluded, in a judicial proceeding involving the rights of a fellow American citizen would amount to an impeachable offense?

Mr. Katzenbach: It would be an impeachable offense, sir, only if the effect of that was to destroy public confidence in the ability of the president to play his role in government.



Mr. Hyde of the Judiciary Committee swearing in witnesses on Tuesday.



At the Capitol, from left: Greg Craig, Samuel Beer and Nicholas Katzenbach.



Charles Ruff, left, and David Kendall, both Clinton lawyers, listening.

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EUROPE

'Nothing Is Taboo' for France as EU Prepares for Reform Talks

International Herald Tribune
The leaders of the European Union meet Friday and Saturday in Vienna for their biannual summit meeting with their attention focused as usual on unemployment. But most of the hard talk will come in relation to Agenda 2000, the EU's outline of its budget and activities for the next seven years. The issue is essentially who pays what, with the Germans insisting they must reduce their contribution, and France, Britain and Spain, among others, attempting to hold on to their cash advantages.

Pierre Moscovici, the French minister-delegate for European affairs, talked to *John Vinocur*, senior correspondent of the *International Herald Tribune*, about his government's position and its relationship with Germany going into the meeting.

Q: What concrete results do you expect from the Vienna summit meeting?

A: The central message will be and must be about employment. The result should be to confirm the dynamic that began at the Luxembourg meeting a year ago. That means we want quan-

Q & A / Pierre Moscovici, France's point man for European affairs

tified indicators in order to reduce unemployment among the young and those who have been unemployed for quite some time. We'd like to have a discussion about lifelong learning, reducing the length of work and, why not, about minimum income in each country. This doesn't mean the same minimum revenue, but the principle of minimum revenue in all countries. We'd like to call for more social dialogue about those questions.

Q: What is France's view of Germany's desire to lower its contribution to the EU through Agenda 2000?

A: We don't consider that Agenda 2000 is only about the German problem. It's a global reform. It's how to finance the Union for seven years and how to define the common policies. We don't ignore that Germany feels that they are supporting an imbalance. But we want the answer to all those problems to come from one principle: stabilizing the expenses of the Union. We believe we can

do better with no more expenses. That's what we're seeking in Vienna, and we really want to end these negotiations in March. There are two things that we very clearly refuse. First, to solve the German problem, the Dutch problem, the British problem by generalizing the rebate system that was given Britain. The second thing we refuse is co-financing the Common Agricultural Policy, which would mean a renationalization of that policy.

Q: But how do you respond to the people who say France is far too great a beneficiary of agricultural subsidies?

A: France is a beneficiary because it's a strong agricultural power, but we are not favored by any specific mechanism. This has been recognized for 40 years. We don't refuse a reform of the Common Agricultural Policy. We'll be capable of talking about economies on that policy. But I repeat: We refuse co-financing.

Q: Because there's so much money and so many strongly held positions involved, won't these Agenda 2000

talks be difficult, perhaps damaging?

A: It's a very difficult discussion. And I believe nobody should consider it a discussion in which somebody can win, alone, against the others. We'll all have to make compromises, and we're entering these negotiations with that spirit. For us, nothing is taboo.

Q: What's the French view on the call for tax harmonization that has created a lot of upset?

A: Maybe there's a problem of wording. Harmonization in our view doesn't mean uniformization. We don't believe that there should be one single rate of income tax on people or firms. We believe two things: There mustn't be tax levies in Europe. And we believe there have to be rules against social and fiscal dumping in Europe. That's all that we are seeking, and that means there will probably have to be a fiscal harmonization about energy or savings. This could be a first step.

Q: How do you define social dump-

ing? Oskar Lafontaine uses the phrase a lot. There are countries in the Union that have, for example, lower pension costs than France or Germany. Is that how you explain social dumping?

A: I don't want to go too far, and I don't want to involve any specific country in that field. What I mean is that together we've got to find the minimum rules we want to fix.

Q: How does Paris regard the new German government and what many consider its less-than-brilliant start?

A: They have a new team that wants a new start for Germany and a new start for Europe. Maybe they have their difficulties, but we've had very concrete, very positive conversations. We feel they are going to move. This is important for Europe. We are also closer on themes like enlargement, institutional reform, a pact for employment.

Q: Do you feel any less German interest in sharing a motor-of-Europe role with France?

A: Not at all. They really want to be involved in Europe, and they still believe the Franco-German relationship is at its center. Maybe they feel it in an-



Pierre Moscovici: Summit meeting "must be about unemployment."

other way. Maybe it's less romantic, less sentimental, but I think it is maybe more concrete, closer to the preoccupations of the people. There won't be a change here, and that's clear.

BRIEFLY

Heads of 4 Captives Found in Chechnya

GROZNY, Russia — Chechen authorities found the severed heads of four kidnapped foreigners Tuesday near a remote village after a two-month search in the breakaway region in southern Russia.

An Associated Press reporter saw the heads near the village of Assinovskaya, about 40 kilometers (25 miles) west of Grozny, the Chechen capital. They were identified as those of the four abducted foreigners by Umar Makhauri, a bodyguard who was with the four when they were taken away Oct. 3, by gunmen in Grozny.

The hostages — the Britons Peter Kennedy, Darren Hickey, and Rudolf Petschi, and Stanley Shaw of New Zealand — were engineers working for a British telephone company installing telephone lines. (AP)

2 EU Leaders Call For Spending Curb

BONN — German and French leaders called in a letter made public Tuesday for a freeze on European Union spending levels and proposed a new cap on its budget.

Chancellor Gerhard Schröder of Germany and President Jacques Chirac of France also said they saw the eastward expansion of the bloc as a "historic duty" but recommended against discussing new membership at an upcoming summit in Vienna.

The letter, addressed to the Austrian chancellor and current EU presidency-holder, Viktor Klima, proposed the EU curb expenses to make the expansion affordable. But it backed EU budget proposals that would allow an increase in the central budget limit to 1.27 percent of total gross national product from 1.10 percent. (Reuters)

Talks on Ulster

LONDON — Prime Minister Tony Blair began fresh talks with Northern Ireland's key political players Tuesday, hoping to end a dispute over disarmament that has clouded a peace deal reached in April. Mr. Blair met with John Taylor, deputy head of the Protestant Ulster Unionist Party, to try to advance plans for new political structures to which power will devolve in February. (Reuters)

For the Record

Russia has agreed to cooperate with NATO next year to work on correcting the "millennium bug," which will hit many computers at the start of 2000, a NATO source said Tuesday. The cooperation was sought by the United States, which fears that Russia might lose control of its nuclear weapons arsenal as a result of millennium computer chaos. (APF)

Kosovo's Other Refugees Fight Misery and Hunger

Tens of Thousands Are Hidden in Montenegro

By R. Jeffrey Smith
Washington Post Service

ULCINI, Yugoslavia — When Hagrie Cacaq and her family fled to this seaside village from Kosovo last spring, the Spartan housing was tolerable because the weather was warm. But now a bitterly cold wind and slashing rain are gusting through a window frame covered by a flapping blanket, and her half-dozen children are having trouble sleeping in their winter coats on bare cement floors covered only with cardboard.

"It's too cold," Mrs. Cacaq said, and the only food they get — from the Red Cross — falls well short of what they need. But she and several thousand other ethnic Albanians who came to Ulcini have no money to pay for food and electricity, so they have no choice but to go without heat, even as nighttime temperatures hover just above freezing.

Mrs. Cacaq and 23 others living in the unfinished beach house are among tens of thousands of refugees from the strife-torn province of Kosovo who are stranded here in the neighboring Yugoslav republic of Montenegro. By all accounts, Europe and the United States have been extremely slow to assist them.

Since violent conflict between ethnic Albanian separatists and Yugoslav forces erupted in Kosovo last February, most of the world's attention and humanitarian assistance has gone to the more than 200,000 ethnic Albanians displaced by fighting within Kosovo and tens of thousands of others who fled to Albania or Macedonia.

More than six weeks after the heavy fighting ended, however, from 25,000

to 35,000 ethnic Albanians, including at least 6,000 children younger than 7, are said by the International Red Cross and the office of the UN High Commissioner for Refugees to remain in Montenegro — down from a summertime peak of 45,000 to 50,000 but still more than anywhere else outside Kosovo.

Montenegro is the smaller of the two republics that compose the federation of Yugoslavia. It has just 5 percent of the territory of Serbia, the dominant republic. Kosovo in turn is a Serbian province.

Montenegro is also poorer, with an average wage of \$125 per month, more than 70,000 people unemployed, and an additional 80,000 waiting for late pension payments from the federal government. Some of its key industries depended on trade with Kosovo, which has dried up.

On top of that, it is estimated that at least 31,600 refugees from the conflicts in Bosnia and Croatia have lived in temporary shelters in Ulcini and other Montenegrin towns for at least three years, still waiting for conditions to settle in those former Yugoslav republics. With this burden, Montenegro's government has been able to provide little assistance to the newcomers.

Many of those who fled to Montenegro reported having to pay bribes or endure beatings from Serbian border guards. Many also were frightened by a kidnapping incident earlier this month.

The grim conditions here have caused thousands to leave via an underground refugee highway for elsewhere in Europe, traveling through Albania and Italy to Germany and Switzerland after paying a hefty fee to brokers. As many as



Albanian refugees peering out of a tent near Sarajevo. Thousands of others have fled Kosovo for Montenegro.

10,000 to 15,000 people may have returned to their villages in southwestern Kosovo since fighting cooled in early October, but many more say they cannot because their homes are destroyed and they are afraid of the police.

"I have nowhere to go," said a 38-year-old man from the destroyed Kosovo town of Decani, who lives with his wife, five children, and seven others in two rooms of a stranger's house in Tuzi, a village 10 miles southeast of Podgorica, the Montenegrin capital.

"My own house is broken, but I would live there in a tent," said, adding, "if I was sure that nothing would happen to me and my family."

Like many Kosovo residents who fled

along with family members who belonged to the Kosovo Liberation Army, the man said he would not go back until the Yugoslav government honors its month-old pledge of amnesty for politically motivated activities. He said one of his brothers went to look at the house last week and called to say that "the police are everywhere on the roads — they are driving around in private cars."

The man, who asked that his name not be published for fear of retaliation by the Serbian police, said that "the Red Cross provides help twice a month, but we can live for only five days on what they give us" and, without help from local residents, "we would not be alive."

He said his children stayed at home all

day because the Montenegrin government — fearful of encouraging the ethnic Albanian families to stay — had barred them from attending a local school. The food aid being provided to the ethnic Albanians is going only to those younger than 14 and older than 65, because of its scarcity, said Stojan Sjekloca, deputy commissioner of Montenegro's eight-member refugee relief panel. "The rest of them are excluded from help."

Each of the recipients gets a quart of cooking oil, less than 20 pounds (about 9 kilograms) of flour, 2 pounds of beans and 2 pounds of sugar — all supposed to last for a month. "Some get milk powder, but only rarely," he said.

Turkey Works With Italy to Ease Tension

BRUSSELS — Italy and Turkey agreed Tuesday to smooth their troubled relations pending a decision by an Italian court on the fate of Abdullah Ocalan, the Kurdish guerrilla leader held in Italy.

Foreign Minister Lamberto Dini of Italy, after a meeting with his Turkish counterpart, Ismail Cem, in Brussels, said, "We have worked together with Mr. Cem to ease tensions."

Mr. Dini said he had also worked "to get a better understanding of the position Italy has taken, and to therefore come back to the climate that existed between our two countries — to the extent possible — before the Ocalan case."

Mr. Dini said Italy was aware of the emotions provoked in Turkey by the capture of Mr. Ocalan, leader of the Kurdish Workers Party, which Ankara holds responsible for the deaths of 29,000 people in a 14-year armed struggle for Kurdish self-rule.

"I think the will of the international community, the way it has been expressed by the United States and by the European Union ministers, is that Mr. Ocalan should be tried before a court, before a tribunal," Mr. Dini said at a joint news conference after meeting with Mr. Cem at a NATO conference.

"And it is now to be determined where he should be tried," he said. "We have agreed that for the time being the case is in the hands of the Italian magistrates."

"Let's wait and see how that is resolved before we come to take a position on other avenues which have been explored," Mr. Dini said, referring to suggestions that the Council of Europe or the United Nations could provide a forum for judging Mr. Ocalan.

Mr. Cem made clear that Turkey opposed the internationalization of what it considers a strictly legal case. But the two ministers said they would consult further to promote a more constructive dialogue.

Joy in France Over National Front Rift

PARIS — French conservatives reacted gleefully on Tuesday to an internal struggle over leadership and strategy that has been tearing apart the far-right National Front, which is led by Jean-Marie Le Pen.

But leaders of the mainstream right also warned against appearing to interfere in the National Front's affairs, particularly when things seemed to be going their way.

"Don't shake the pinball machine while we're scoring points," Renaud Muselier, a deputy from the Gaullist party Rally for the Republic, told the daily *Liberation*.

"Le Pen wanted to divide us," said Philippe Douste-Blazy, parliamentary leader of the center-right Union for French Democracy. "Now, nine months later, we are stronger and they are in the process of imploding."

Mr. Le Pen, in a bitter battle with his ambitious deputy and would-be heir, Bruno Megret, has purged the party leadership of Megret supporters and said Mr. Megret should leave the party if he

continued to disagree with his strategy. Mr. Megret is to reveal his next steps on Wednesday.

The Front, which wants to ship millions of foreigners home and favors native French for jobs and social services, has been mired in squabbling for months.

The party commands the electoral support of about 15 percent of the voting public and has in the past often helped the left win elections by splitting the rightist vote.

Without naming him, Mr. Le Pen has said Mr. Megret's strategy of raising the Front's profile on the political scene by cooperating with mainstream conservative parties was not the path to follow.

Mr. Le Pen rules out ideological and political compromise, calling mainstream parties corrupt and traitors for backing the European Union.

He argues that his voters back him because of his ideas and his program and do not want the Front to become just another mainstream party.

Mr. Le Pen appears to have a firm grip on the party's top leadership. His daughter

and son-in-law hold key party posts, while his wife, Jany, is expected to be near the top of the party's slate in June 1999 elections for the European Parliament.

Mr. Le Pen ordered the suspension from the party of two key Megret backers, including Serge Martinez, head of regional branches, after Mr. Martinez called for a special party congress without consulting him.

While supporters of Mr. Le Pen renewed pledges of loyalty, Mr. Martinez on Tuesday called his expulsion a putsch and a witch-hunt. He renewed his call for a congress to define the party's goals.

The dissidents are being denied party premises to make their statements. Mr. Martinez held a hastily arranged news conference in a hotel basement. Mr. Megret's announcement on Wednesday is to be made "at a place to be announced later."

Pierre Visl, a Megret backer who was one of those purged by Mr. Le Pen, insisted that his exclusion from the Front was "null and void" because it flouted party rules.



Jean-Yves le Gallou, who backs the rightist upstart Bruno Megret, speaking to reporters in Paris on Tuesday.

and void" because it flouted party rules. In an interview with the newspaper *Progres de Lyon*, he accused Mr. Le Pen of trying to turn the party into a private preserve. "If Le Pen sticks to his current position," he said, "I am afraid he is heading for disaster."

A Cool Response to U.S. Strategy

By Craig R. Whitney
New York Times Service

BRUSSELS — U.S. proposals for a broad new strategic concept for NATO to counter the global threat from chemical, nuclear and biological weapons got quizical responses Tuesday from the European allies at a meeting of foreign ministers.

Many also resisted the United States' suggestions that the alliance could intervene in regional crises even when it did not have explicit authority from the United Nations.

The U.S. secretary of state, Madeleine Albright, said it was "hogwash" to suggest that new missions for the alliance, such as building up intelligence on weapons outside mass destruction held by countries outside the NATO area or devising strategies to deter attacks by them, contradicted NATO's original self-defense goals.

She was not suggesting, other officials said, that the North Atlantic Treaty Organization extend its area of operations to Iraq or Iran, or take on the problem of North Korea's development of nuclear weapons. "I made very clear," she said later, "that we are not trying to get NATO to go global."

But the U.S. initiative on weapons of mass destruction, in the context of a new, self-assertive post-Cold War strategy for an alliance whose primary mission has always been the defense of its members' territory, raised questions nonetheless.

Foreign Minister Hubert Vedrine of France said that seeking a new unifying concept "would run the risk of diluting the alliance and dividing the allies, which of course should not happen."

The German foreign minister, Joschka Fischer, said it would be a mistake to make a rule out of the exception the allies made this fall in Kosovo, when NATO threatened bombing to halt Serbian attacks against ethnic Albanian civilians in the province even though the United Nations Security Council had not explicitly authorized military action.

All alliance missions beyond self-defense, France and Germany insisted, should fundamentally have Security Council approval. Mrs. Albright said the United States view was to address the issue on a case-by-case basis. But she agreed, "NATO will in all cases act in accordance with the principles of the United Nations Charter."



NATO's secretary-general, Javier Solana Madariaga, left, speaking with Robin Cook, the British foreign secretary.

NATO: Follow U.S. Vision, Albright Urges

Continued from Page 1

Joschka Fischer, the German foreign minister and a leader of the environmentalist Greens party, reaffirmed his call for NATO to alter its nuclear doctrine and consider pledging not to be first in using nuclear weapons, as a way to stress its commitment to disarmament.

While Mr. Fischer acknowledged that the United States, Britain and France — NATO's three nuclear powers — were staunchly opposed to his proposal, he said that "the debate is just starting." He said he hoped a review of nuclear policy would be undertaken that reflects Europe's transformed strategic landscape.

In contrast to differences over future challenges, the allies appeared united in advocating an enhanced European profile for NATO. The agreement last week by Britain and France to develop a joint defense capability within the European Union and reduce the Continent's dependence on the United States was applauded by all sides.

In the past, Britain has been reluctant to mount any European initiative that

might undermine NATO's primacy in defending the continent's security and alienate the United States. But under Prime Minister Tony Blair's Labour government, Britain has undergone a change of heart that has coincided with France's new willingness to develop a defense and security identity within NATO.

Mrs. Albright said the United States was "an enthusiastic supporter" of any measures that nurture "a more capable European partner, with modern, flexible military forces capable of putting out fires in Europe's own backyard."

Besides celebrating NATO's first half-century and endorsing a future strategic mandate, the Washington summit conference in April will formally induct Poland, Hungary and the Czech Republic as the first new members from the former East European Communism bloc.

American and European officials said NATO countries were still at odds over whether their "open door" policy of encouraging further rounds of enlargement should cite prospective candidates or specify a negotiating date for those that might qualify.

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Herald Tribune

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In Taipei, Not in Beijing

What a contrast. In China on Monday, authorities were scheduling the trial of Wang Youcai, whose "crime" consists of peacefully attempting to register a democratic political party. Across the Taiwan Strait, authorities were analyzing weekend elections in which 80 percent of Taiwan's eligible voters participated. Where, you might ask, are the true "Asian values?"

China's Communist dictators have made much of the notion that "Western-style" democracy is alien to their culture. Chinese people are not ready for and do not want such bourgeois customs as multiparty elections, they say. President Jiang Zemin has even suggested that his hometown of Shanghai is so big that democracy clearly couldn't work there. (Mr. Jiang, meet Mayor Rudolph Giuliani.)

If they were truly confident in their belief, you would expect the Chinese gerontocracy to shrug aside those who disagree. Instead they react with the fear of those who govern without legitimacy. Mr. Wang, who spent two years in prison for taking part in the 1989 pro-democracy protests at Tiananmen Square, is being charged with "inciting the overthrow of state power." Last week the regime put on trial (in secret, of course) computer entrepreneur Lin Hai, who alleged crime was providing e-mail addresses to an Internet pro-democracy newsletter.

Taiwan, by contrast, is a hub of Asian e-commerce, prosperous as well as free. Its Saturday vote, for Parliament and municipal offices, was its ninth successful election since a multiparty system was legalized in 1986.

This one, like the others, was free, fair and peaceful. And the remarkable turnout suggests that there is nothing "Western" nothing particularly suited to one culture or another, in people's desire to have a say in their own governance.

The election results, as opposed to the process itself, were said to be reassuring to China's Communists, who regard Taiwan as a renegade province and bitterly oppose any stirrings toward independence. The ruling Nationalist Party handily defeated the opposition Democratic Progressive Party, which has been more outspoken in its calls for Taiwanese sovereignty. But the facts are not so simple. Few Taiwanese today favor an outright declaration of independence, but few favor unification with the mainland, either — at least not as long as China remains a dictatorship. In fact, a pro-unification party won less than 7 percent of the vote, while the Nationalists gained popularity for their firm stand against Chinese bullying.

Its impressive achievement in democracy has not gained Taiwan as much support in the world as you might expect. President Bill Clinton, in his eagerness to woo China's leaders, took the occasion of his trip to China last summer to slap down Taiwan's ambitions to play a larger role in the world. That kind of message discourages many Taiwanese, but it has not knocked them from their democracy-building path. China's dictators threaten Taiwan with missiles, Taiwan threatens China's dictators by example.

—THE WASHINGTON POST.

A Populist in Venezuela

Few politicians get a second bite at power as quickly as Hugo Chávez, who won Sunday's presidential election in Venezuela. Six years ago he led a military coup. It failed, but his messianic assault on the establishment captured the imagination of the poor. His speeches today are more conciliatory, but he still frightens Venezuela's elite and makes Washington nervous about the future of a country that is now the United States' primary source of oil.

Mr. Chávez could become a populist despot, or he could use his mandate to make long-needed changes while respecting the rule of law. Washington and Venezuela's opposition should work with him to encourage a democratic approach.

Venezuela's two main parties, which have traded power for 40 years, have squandered the country's wealth. Even when it was at \$16 a barrel, Venezuela borrowed. Today its oil is at half that price, and dropping. Interest on Venezuela's foreign debt takes 40 percent of the budget, and 70 percent of its people live in poverty.

Mr. Chávez's campaign program, which contained wildly contradictory ideas, was a spending fantasy. Reality

will require budget cuts, but he can use them to produce long-term change. He is right to propose renegotiating the country's debt, and cracking down on tax evasion. He seems less interested in the most important change, bureaucratic reform. The government pays nearly 2 million people but does not provide decent education, health care, transportation or justice. He must refocus the bureaucracy to serve the poor.

He promised a referendum on a constitutional assembly that would dissolve Congress, which he does not control, and write a new constitution. The idea is popular with Venezuelans, who want a fresh start. But it could also allow Mr. Chávez to close Congress and write himself dictatorial powers.

Washington should make clear that it will help Mr. Chávez if he respects Venezuelans' rights and the rule of law. The traditional parties must also defend Venezuelan democracy, which has shut out ordinary citizens but has deterred the widespread political violence that has racked neighboring nations. The solution is to deepen democracy. Venezuela's most important achievement of the last 40 years.

—THE NEW YORK TIMES.

Tactics of Delay

Between them, the White House and the House Judiciary Committee seem determined to have a constitutional collision. An act of leadership by the designated speaker, Bob Livingston, could avoid the impending crisis, but he does not appear to have the stuff for it. The other way to avoid it would be for Bill Clinton to start behaving like a president instead of a criminal defendant. We are not full of hope.

Mr. Clinton's apparent plan for presenting his defense is to have his lawyers drape his shabby conduct and cover-up lies in the same threadbare legalisms we have seen before. At least 14 witnesses and the White House lawyers to whom he has delegated the shaping of his legacy will argue that his misdeeds are too low and common to warrant impeachment. They will also argue that his lying under oath fails to rise to the level of perjury. It is just regular lying that happened to take place after he gave his solemn oath.

Perhaps we should not be surprised. This president, after all, quibbled with the committee's assertion that he is the nation's chief law enforcement officer. But even if he will not admit to that, why would he prefer the indignity of impeachment to a censure deal that would salvage for him the small measure of honor inherent in an unheeded admission of wrongdoing?

His failure to take the lead in seeking a censure deal can be excused but not

satisfactorily explained by his fear of a perjury indictment. The Democratic leadership and a handful of Republican moderates have repeatedly signaled a willingness to search for a way to limit his legal exposure in return for a public admission that he lied under oath. But we have a White House legal team that in the absence of strong presidential leadership is conducting a shifting, situational defense that plays into the impeachment machinations of Tom DeLay, the Republican whip.

It is possible to believe, as we do, that the evidence so far does not warrant impeachment and still see Mr. Clinton's approach as making the worst of a bad situation. The charges from Kenneth Starr, the independent counsel, are not going away. The written answers that Mr. Clinton filed to the Judiciary Committee's 81 questions inflamed the hard-liners and alienated the Republican moderates he will need to defeat an impeachment vote in the full House. The public interest still demands a forceful entry in the historic record censuring him and recording his admission of failing in his constitutional duty to the rule of law.

So far the leadership that would get the nation to that goal is missing both in Congress and in a White House where the president seems committed to the tactics of delay while his reputation is shredded to the last scraps.

—THE NEW YORK TIMES.

Bread and Ballots: Human Rights Aren't Divisible

By Mary Robinson

The writer is United Nations high commissioner for human rights.

GENEVA — This Thursday we commemorate the adoption in 1948 of the Universal Declaration of Human Rights, an unprecedented commitment by nations around the world to defend human dignity and freedom. Half a century later, much still needs to be done, but at no other time have there been as many opportunities to make human rights a reality for so many people.

The reasons for guarded optimism are several: Many more people are aware of their rights, and so can claim them; the number of democracies is larger than ever before; access to education and health care is growing; the body of international law on human rights is ever more solid.

This anniversary year has been marked in two appropriate and pragmatic ways: by a declaration on human rights defenders, and by the statute for an international criminal court. Almost 10 years after the end of the Cold War, there is also near universal agreement on just what human rights are.

I say "near universal" because there are still people who, in a throwback to the language of the Cold War, claim that economic, social and cultural rights are not really rights at all, but mere goals that we should aspire to.

Some commentators see economic, social and cultural rights as new rights, or as some sort of smoke screen for violations of civil and political rights. In fact, there is nothing innovative about economic, social and cultural rights. They are long-standing, fundamental and internationally guaranteed obligations of states.

Remember how essential to human dignity, and often to life itself, are clean water, food and basic health care.

Some will argue that defending the right to education or the right to work "waters down" the fight for freedom of expression or due process. But the promotion of human rights is not divisible. Defending one right does not take away from promoting another. The UN committees that monitor how each set of rights is applied are equally vigorous in their work. As Ambassador Thomas Hammarberg of Sweden, a longtime human rights defender, has put it: "There are more instruments in the orchestra than the trumpet, and they can all be played at the same time."

It is also claimed that countries can legitimately plead lack of resources to escape their obligations to respect economic, social and cultural rights. This is not true. The Covenant on Economic, Social and Cultural Rights clearly says that each country must take steps to the maximum of its available resources with a view to achieving these rights progressively. All countries can act to realize economic, social and cultural rights; the excuse of lack of means to do so is just not available to them.

Nor is there a similar excuse at the international level, where debt relief and the policies of the IMF and the World Bank are so crucial to the capacity of countries to realize these rights.

During the Cold War, terms like "democracy," "development" and "human rights" provided fodder for ideological assaults across the East-West, North-South divides, but today the international community has for the most part put the old paradigms and the divisive rhetoric to rest. Thanks to 50 years of standard-setting, negotiation, refinement and interpretation, these much abused terms now carry with them an agreed, legally established and irrefutable definition, as codified in the international law of human rights.

As we approach the new millennium, we must be very mindful of our responsibility to work together in restoring the symmetry of human rights discourse. We must finally put aside the tired notion that some rights are somehow more fundamental than others.

The framework for human rights protection, from this point forward, must be based upon the logic agreed upon by all countries that took part in the 1933 World Conference on Human Rights: "All human rights are universal, indivisible, interdependent and interrelated. The international community must treat human rights globally, and in a fair manner, on the same footing, and with the same emphasis."

The time for mere talk about human rights is long past. The iron test for us is implementation. Our challenge is to come up with integrated strategies for the promotion and realization of all civil, cultural, economic, social and political rights, including the right to development. A life worth living includes education, culture and the right to vote.

To paraphrase President Nelson Mandela of South Africa, no one should ever be forced to choose between bread and the ballot.

International Herald Tribune.

Britain Should Deliver Pinochet to Due Legal Process in Spain

By Charles Macchling Jr.

WASHINGTON — The Law Lords' decision on Nov. 23 ending Augusto Pinochet's immunity from arrest as a former chief of state vindicated international law and created global legal precedent for generations to come.

The ruling relied on British statutes implementing the 1948 torture convention and the 1970 convention on hostage-taking, among others, in order to extend extraterritorial jurisdiction to crimes committed in his own country by a brutal Latin American dictator.

The initial legal question, the validity of General Pinochet's arrest and detention, is settled. The next step, his extradition to Spain, where he is wanted for questioning and perhaps ultimate trial for the torture, murder and "disappearance" of Spanish citizens and those of other countries, would ordinarily be a routine matter.

Once prima facie evidence of the allegations has been shown, recent European Union conventions and statutes have simplified and expedited the extradition of criminal suspects. The British home secretary, Jack Straw, has wide discretion to comply with an

extradition request or refuse it. He has until Friday to make a decision.

Powerful if unspoken forces are putting political pressure on the British and Spanish governments somehow to get rid of this hot potato even at the cost of compromising the most elementary standards of human decency. But any exit strategy has to recognize the rising tide of international outrage that opposes any attempt to help General Pinochet evade his just deserts.

The normal choice in cases of this sort is for the detaining country to try the accused itself or extradite him to the country having primary jurisdiction. But in the Pinochet case, Britain is merely the stakeholder; other nations also have jurisdiction or are asserting it — Chile, where the crimes took place, and Spain and other European countries whose citizens were the victims.

When two Chilean generals were cashiered and sentenced to prison for hiring renegade Cuban exiles to blow up former Chilean Ambassador Orlando Letelier and his

American secretary in central Washington, Chile was forced under immense American pressure to try and sentence the generals itself. This solution would not be satisfactory for several reasons.

Underlying the home secretary's private deliberations — he quite properly will take only written briefs and refuses to discuss the case with anyone — must be regard for Britain's future in the European Union. Will the Blair government allow the extradition process to proceed unhindered? Or will it reinforce recurring doubts about Britain's commitment to European unity by subordinating treaty and other obligations to Europe in favor of a synthetic friendship with Chile, an investment partner but hardly an ally?

There is of course a legal solution which, as between European or North American democracies, would provide a political exit — return General Pinochet to Chile to face trial at home. But Chile is not a typical Western democracy.

Under the veneer of elections, free market prosperity

and nouveau riche consumer values, a timid civilian government pays obsequious deference to a uniformed praetorian guard that is ready to strike if its exemption from civilian control is threatened.

Chile's 1978 constitution and amnesty legislation, crafted by General Pinochet himself, entitle him to be tried by a military court and make conviction impossible.

Sending him home would please neither the families of his victims nor European public opinion. And it could throw Chile into turmoil.

Throughout the controversy, the United States, anxious not to revive its shady record in the Chilean past, has tried to keep a low profile.

While vocally upholding human rights, U.S. policy has always been to promote "stability" in Latin America, regardless of the barbarity of security forces or the artificiality of democratic forms. William Bundy, in his book on Nixon-Kissinger foreign policy ("The Tangled Web"), has cited chapter and verse on how Richard Nixon and Henry Kissinger tried to get the CIA to destabilize the legally elected

administration of Salvador Allende. Classified U.S. documents cited by Mr. Bundy and now being released to the Spanish prosecutors reveal details of the infamous operation in which CIA agents in Chile collaborated with General Pinochet's secret police in exterminating the opposition.

A prominent Chicago-school economist, Milton Friedman, provided on-site economic guidance to the Pinochet regime during the worst years of the repression. He and fellow neoconservatives to this day consider his free market policies in Chile well worth the human sacrifice. Needless to say, their own kind were not specific targets.

In this tangled web, Britain and Spain would do well to let the judicial process run its course. Even if General Pinochet is eventually freed, the Law Lords' decision, stripping political leaders of sovereign immunity, is an outstanding victory for human rights.

The writer, an international lawyer and former State Department adviser, contributed this comment to the International Herald Tribune.

The Place for Iran Is on the American Side Against Iraq

By Stanley A. Weiss

LONDON — In the eight-year war that followed Saddam Hussein's invasion of Iran in 1980, Iran suffered 750,000 casualties and endured savage trench warfare, chemical and gas attacks, and bombings of its cities and sacred mosques. The Iranian people not only despise Saddam, they have the will to stand up to him.

The key to enlisting Tehran in the fight against him is in Washington. By encouraging those Iranians who want to modernize the economy and moderate the society, the United States could go a long way toward containing Iraq.

Helping the Iran of today is nothing like helping the Iran etched in the memory of many Americans during the 44-day hostage crisis almost two decades ago. Today pragmatism, not ideology, drives the post-Khomeini Islamic Republic.

It is ruled by a good cop, bad

cop, good-bad cop triumvirate, consisting of President Mohammed Khatami, Supreme Leader Sayed Ali Khamenei and the chairman of the Expediency Council, Hashemi Rafsanjani. This alliance excludes the extremists.

But these leaders face enormous problems.

Mr. Khatami has called Iran's economy "sick." Inflation and unemployment are rampant. Fewer than 100,000 of the more than 750,000 new jobs needed each year are created. Most of the large enterprises are controlled by state or para-state revolutionary foundations, or bonyads, which, despite efforts to rein them in, remain a powerful force. The Foundation for the Deprived and War Veterans, which took over all the assets of the shah and his family, now mismanages some 400

banking, commercial and industrial enterprises.

The Revolutionary Guard has increasingly become involved in business dealings, as the prime contractor for railways, pipelines and factories.

The only real economic leverage that President Khatami has is his control of oil, which accounts for three-quarters of the country's foreign exchange but whose price has fallen through the floor.

Iran's major economic advantage is the strong entrepreneurial spirit among its large merchant class. The current budget proposes privatizing most state-controlled enterprises, including many of the bonyads. Business leaders like A.N.S. Khamoushi, head of Iran's Chamber of Commerce, will be central to privatization efforts and to convincing voters

that the pragmatists can create real economic benefits.

Local elections next February and parliamentary elections in May 2000 will determine the future. The key to these elections is Iran's young people.

Sixty-five percent of the population is under age 25. Most were not even born when the shah was driven from power, and few remember the late Ayatollah Ruhollah Khomeini. A young man told me when I visited this year that he wants to go dancing, hold hands with his girlfriend and watch movies in public. Like teenagers everywhere, he and his friends see "Made in the USA" as a status symbol.

Those who shout the "Death to America" slogans are wearing Michael Jordan T-shirts. They have access to books, newspapers, magazines and other information on the Internet. In the Middle East, only Israel and Turkey have a greater addiction to spending time on-line.

Washington should not be duped by the recent acts of extremists who view the opening up of Iran with alarm. Desperate men take desperate measures. The assassination of opposition leader Darius Forouhar and the attack by Islamic militants on a bus carrying a group of Americans will not impede the slow movement toward the rule

of law and democracy. Only the United States can do that.

America must recognize that changes in Iran offer new opportunities to reduce the tensions in a region vital to its interests. It is time for Washington to end its efforts to isolate and contain Iran.

President Bill Clinton should reach out to Iran's conservative spiritual leader as well as to its liberal president; he should ask the United Nations to invite the Iranians to join in a regional conference to discuss the future of Iraq; he should lift the trade embargo, and Congress should repeal economic sanctions that hurt U.S. companies and alienate America's friends.

The first time a large American energy company invests in Iran, other investors are sure to follow. And the United States should assist Iran in its efforts to control the \$7 billion narcotics trade from Afghanistan.

An economically strong and respected Iran would not only be good for the Iranians; it would help contain Iraq.

The writer is founder and chairman of Business Executives for National Security, an organization of U.S. business leaders. He contributed this comment to the International Herald Tribune.

Lame Ducks Shouldn't Impeach

By Bruce Ackerman

NEW HAVEN, Conn. — House Republicans are eager to pass impeachment along to the Senate, clearing the decks for a fresh start when a new speaker on Jan. 3. But they have not reckoned with the U.S. Constitution.

When the 105th closes up shop, its unfinished business dies with it. A bill passed by the House but still pending in the Senate on Jan. 3 cannot be adopted unless approved by the 106th House as well.

This is as it should be. Otherwise lame duck Congresses would have a field day in situations like the current one, where the old House majority has had a setback on election day; they would pass lots of controversial legislation on to the Senate, in defiance of the voters' judgment.

It often happened in the first 150 years of the Republic. This might have been acceptable in the 18th century, when roads were terrible and it took time for farmer-representatives to arrange their business affairs. But eventually the violation of democratic principles became intolerable, and the long lame duck Congresses were finally

abolished in 1933 by the 20th Amendment.

Since then, no lame duck House has impeached a federal judge, much less a sitting president. The present proceeding is an unprecedented effort at lame duck impeachment.

The House has the power to vote a bill of impeachment now, but what no one seems to be considering is whether that measure would die along with all other unfinished business once the 105th is history.

It will not be up to Senate leaders to make that determination. The constitution names the chief justice as the presiding officer of all presidential impeachment trials.

Chief Justice William Rehnquist is well versed on impeachment; he has written a book on the subject. He will be in a position to grasp the damage that lame duck impeachment would do to democratic principles. It is impossible to say how he will rule. It would be far better for the country if the new House spared him this test and put the bill of impeachment up for a second vote.

Even if the new House declines to confront the issue directly, it will not be able to escape rendering its opinion. It must select a group of its members, called impeachment managers, to present its case against the president before the Senate. Without the energetic prosecution of the case by these managers, the Senate trial cannot go forward.

Only the new House can select the managers. It could stop the impeachment process by refusing to name any.

One way or another, the impeachment issue will confront the new House, whose views will more fairly embody the current state of public opinion. This point should lead to reappraisal by the current leadership. It may be embarrassing to reverse gears at this late date. But it would be far more embarrassing to deal with the aftermath of a lame duck impeachment once it becomes evident that the new House does not support it.

The writer is a law professor at Yale and author of "We the People: Transformations." He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Caucasus Tales

PARIS — Tales of brigandage in the Caucasus are frequent in the Russian press. Not that the Government has neglected to make efforts to remedy the evil. But the scourge has steadily increased. No one dare give any information about the robbers under penalty of death. The Cossacks sent to scour the country are thus quite helpless, for the mountain fastnesses with which the outlaws are thoroughly familiar effectively screen them from their pursuers. Another obstacle is the collusion obtaining between the lower native officials and the miscreants.

1923: Jewels and All

LONDON — Eight women, three Conservatives, three Liberals, all unmarried, and two Liberals, will take seats in the House of Commons when the new Parliament assembles.

Lady Terrington and Mrs. Wintringham are elected Liberals. The former's campaign was enlivened by the publication of a declaration attributed to her that if she were elected she would wear her best clothes and jewels in the House of Commons as she considered it a "humbug" for women members to appear there in quakerish garb while saving their best clothes for private life.

1948: No Holiday Card

PRAGUE — There will be no Christmas cards in Czechoslovakia this year if Vaclav Kopecky, Minister of Information, has his way. The Communist Cabinet has agreed to his suggestion that the public should forget about spending money for greeting cards. Instead, he said, the public should contribute to a fund to publish the writings of Alois Jirasek, a prominent national writer who died in 1930.

Herald Tribune

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OPINION/LETTERS

An Early Handicapping
Of the Race in 2000

By E. J. Dionne Jr.

WASHINGTON — Perhaps you will not regard this as good news: The American presidential campaign for 2000 began here on Dec. 2. That may seem a bit early. But it is a relief to have a group of politicians looking ahead rather than backward in a city obsessed with impeachment.

The first skirmish broke out at a conference of the Democratic Leadership Council, the centrist group that gave Bill Clinton a big push forward in the early 1990s. Clues about how the players are approaching the 2000 melee were scattered all over the meeting.

Democrats assume that Republicans learned from the 1998 elections, and they think that Governor George W. Bush of Texas is the fastest learner.

At Gore took a swipe at Mr. Bush (without naming him) by attacking Mr. Bush's adopted doctrine, "compassionate conservatism." First, Mr. Gore noted that the mantras of compassionate conservatism — "opportunity" and "responsibility" — were stolen outright from Clinton-style Democrats. Then he suggested that there is a difference between the "right language" and the right policies.

The idea of compassionate conservatism is a big concession by Republicans. Their use of the adjective "compassionate" suggests that they have concluded that the conservatism they have practiced so far seems to lack compassion to too many voters.

But the flip side is also true. If post-Gingrich Republicans master the new language and find policies to back it up, they will offer the Democrats a smaller target. Thus Mr. Gore's preemptive strike.

Mr. Gore has good themes for 2000, but is short on uplift and specifics. He combines old Democratic standards — Social Security, education, toughness against guns and the gun lobby — with a new emphasis on the dangers of suburban sprawl and the need to ease the conflicts between work and family.

But his delivery did not exactly burn down the house. His role as vice president means that he cannot put forward many new policies of his own. As Mr. Gore's friends note, he is temporarily in a box: He cannot propose ideas that the administration is unwilling to support, and any good ideas he

does have now will become Mr. Clinton's ideas.

In addition, Mr. Gore wants to be the unifying figure in the party, occupying as much ground as possible. That means, in the famous word of the last vice president to become president, "prudence."

Mr. Gore, it seems, is haunted by two people named George Bush. Bob Kerrey knows that imprudence is his ticket to contention. There was nothing prudent about his speech. The Nebraska Democrat's ideas on privatizing part of Social Security raised substantive as well as political problems, but leave that for another day. As one Democrat at the meeting noted, Mr. Kerrey played Gary Hart to Mr. Gore's Walter Mondale. He meant it as a compliment. The Hart of 1984 proposed "new ideas for a new generation," cast the front-running Mr. Mondale as an excessively cautious party wheelhorse, and came close to winning the nomination.

Mr. Kerrey also upped the pressure on former Senator Bill Bradley of New Jersey, who would occupy philosophical space similar to Mr. Kerrey's. Mr. Bradley knows he has to move, and on Friday he announced the formation of a presidential exploratory committee.

Watch for two simultaneous battles: a three-way fight involving Mr. Gore, Mr. Kerrey and Mr. Bradley, and a two-way skirmish between Mr. Bradley and Mr. Kerrey.

Watch Dick Gephardt, the House Democratic leader, and John Kerry throw new ideas into the pot. Mr. Gephardt's form of prudence would be to stay in the House; hope that the Democrats win in 2000, and become speaker. Bet on his doing that. But his speech on tax reform suggested that Democrats can dispute Republicans on their favorite issue by offering a simpler tax code that is still progressive and cuts taxes on people in the middle.

Senator Kerry of Massachusetts is a long shot for president, but he is challenging Democrats to link their education spending proposals to more aggressive school reform. Count on both the vice president and the Texas governor to go to school on his speeches.

The Washington Post

At Dinner, Russians Find
That the Times Are Lean

By Michael Wines

MOSCOW — They sell bread on the streets in Russia, from the windows of little roadside kiosks identified by signs proclaiming a single beloved word: bread. White bread, black bread, delicious Georgian bread laced with cheese, braided loaves and loaves baked in the shape of big brown domes, and much more.

The average Russian's consumption of baked goods rose 5

MEANWHILE

percent from 1990 to 1995. In 1996 he ate 65 kilograms (143 pounds) of bread. Russians even have a saying: "Bread is the beginning of everything."

So why have they begun lately to eat less bread? The answer says a lot about the state of Russia and its people. What it says most is "chaos." And not just bread, either. The entire Russian diet is lurching through a *perestroika* that mirrors the bust-and-boom, future-versus-past nature of the nation's economy and mentality.

Like the country itself, Russian cuisine is a messy scene. Russia today is a society caught somewhere between tiny torts exquisitely topped with kiwi and a predominant national dessert, the deep-fried apple. It is a place

where subway vendors hawk cases of Pringles to a population whose principal source of protein is real potatoes, lifted fresh from the ground.

Russia wavers today between Tyson chicken, the pricey pinacle of frozen fowl displayed in better markets, and the plate of hot sausage of indeterminate origin that was free when Leonid Brezhnev was in charge. At the moment, sausage, boiled potato and fried apple are in the ascendency. Nationalism may be part of it; Russians are briding at Western influence over their culture and sovereignty.

But to the experts, the overwhelming factor is money. Russia and Russians are broke, and prices are rising. The ruble lost two-thirds of its value in a single week in August. Bread costs more — 10 percent of the average Russian's food bill, compared to 4 percent just a few years ago. It is enough to make some Russians long for Mr. Brezhnev's steady socialist hand on the tiller, at least until they remember the iron grip that came with it.

"The difference between today and the '80s," said Alexander Baturin, deputy director of the Institute of Nutrition at the Russian Academy of Medical Sciences, "is that then the shelves were



empty, but people who could buy a bit of fish were satisfied. It was enough. Today you can find almost everything in every store. The question is whether people can afford it."

A relative few can. In prosperous Moscow, two Western-style supermarkets stocking both Russian and European brands opened last month alone.

But Muscovites are less than 10 percent of Russians. The rest of the country briefly flirted with low-fat milk and skinned chicken breasts and Ugli fruit, now found even in parts of Siberia. But the

nation sleeps with traditional Russian cuisine, the food that saw it through Mr. Brezhnev and Mikhail Gorbachev and, now, the lean years of Boris Yeltsin.

This means fatty fried meats, fried potatoes, fried apples, pancakes, cabbage soup topped with mayonnaise, fermented cabbage, butter and dense black bread. And tea. Without milk, but perhaps with a little jam.

To a lot of Western palates, this tastes, well, heavy and greasy. Heavy and greasy is the norm in a climate better suited to reindeer than humans.

Sometimes greasy is good: glorious onion-and-hamburger-filled pancakes, or blinis: tasty vinaigrette salads of cabbage and carrots and oil; a good borscht. The key word here is sometimes. The downside of Russian cuisine is that it is not especially healthy; three daily helpings of sausage is bad for the heart. Three daily helpings of potatoes and bread can lead to obesity, and half of all Russian adults are overweight.

Virtually every Russian suffers from vitamin deficiency. Among Russian children, half of whom do not regularly drink milk, the shortage of B vitamins, which promote bone growth, is catastrophic, Mr. Baturin says.

"Our way of life is a violation of the norms from the very beginning," said Yuna Popova, an administrator at the government's leading center for treating food-related disorders.

This is not to say that Russians ate better when the Kremlin played mama, ordering its sub-

jects to eat what was put in front of them or go hungry. But turning the Russian diet over to the market has been a mixed bag.

There is, for instance, the free, hot lunch. Under Soviet rule, virtually every factory and office worker got one, either free or nearly so, as part of the state's cradle-to-grave package of social benefits. In modern Russia, there is no such thing as a free lunch — and many people simply do not eat as a result. Most Russians eat twice a day — morning and late evening, Miss Popova said.

Skipping a meal could be seen as a good thing. A few years ago, the average Russian packed away 3,000 calories a day by some measures, a quarter more than is recommended. And the caloric intake has dropped during the 1990s. Mr. Baturin's institute periodically asks thousands of Russians about their eating habits, and some conclusions are disturbing. Fruit consumption dropped one-third from 1990 to 1995; meat, one-quarter; vegetables, a fifth. Fish consumption was halved.

On the one hand, less meat means less fat — and some Russian doctors point to that to explain a slow decline in heart ailments that began in 1994. But it also has immediately led to an increase in iron deficiencies among women; a third of pregnant women lack enough iron. The decline in fruit consumption now means that 30 percent of Russians are critically low in vitamin C — so low that they risk getting rickets.

The New York Times

LETTERS TO THE EDITOR

Elections in Taiwan

Regarding "Voters in Taiwan Reject Pro-Independence Party" (Dec. 7):

Analysis of the election results shows that the relative strength of the democratic opposition has remained virtually the same: The Democratic Progressive Party plus two smaller pro-independence parties garnered 33 percent of the vote, equal to what it was in 1995. The Kuomintang also stayed at virtually the same level of support: slightly over 46 percent.

A referendum in Taiwan showed broad support for independence: 78 percent of the voters said they did not want to be ruled by China. Isn't this independence?

In the article, John Pomfret makes it appear as if the campaign for mayor of Taipei by the in-

cumbent, Chen Shui-bian, was based on ethnicity and that of his opponent, Ma Ying-jeou, was not. Mr. Chen did emphasize the Taiwanese identity, but has worked hard to reach out to the mainland community.

MEI-CHIN CHEN,
Chevy Chase, Maryland

Holocaust and Money

Regarding "Holocaust and Money Don't Mix" by Charles Krauthammer (Opinion, Dec. 5):

When parents set aside wealth for their children or a cherished artwork becomes the only family memory, it does not seem unreasonable to have these assets handed over to the rightful owners when requested. It has nothing to do with "honoring the Holocaust."

Had the guilty parties admitted

liability without waiting 50 years, the lawyers and process to which your author so strongly objects would not have been required.

CLIVE NATHAN,
Lindau, Germany

Is Bush at Risk?

In response to the scheduled execution in Texas of a Canadian:

Could the recent decision by the Law Lords in the Pinochet case open the governor of Texas to civil or criminal legal action in Canada? The principle seems to be that official acts in violation of the law are not covered by sovereign immunity. Perhaps Governor Bush should limit his travels to the 50 states until this new legal doctrine becomes more settled.

LUCIAN C. MARTINEZ,
Rome

The teacher of this class
is not the only teacher in this class.

"Education... is the foundation of a free and fulfilled life. It is the right of all children and the obligation of all governments."

— from UNICEF's
State of the World's Children 1999 report

You look at a child, and perhaps you wonder. Could this be a gifted leader of tomorrow?

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Yet, while the quantity of schools has gradually increased, the quality of their schooling has not. Many children are still not acquiring essential skills and knowledge. Inhibiting the transfer of knowledge from students to their communities. And making even more urgent the efforts of UNICEF, governments, donors, NGOs, and local authorities to ensure that all children receive a proper education.

As a company that believes in living and working together for the common good, we at Canon commend those efforts.

As a company that leads today's world in imaging technology for multimedia, we appreciate the power of learning. Because, through learning, we are able to develop new technologies which help other people lead more enriched lives.

That is why we hope all people will uphold the right of children to receive an education which will give them the skills they need to continue learning throughout life.

And to continue teaching throughout life.

The children of today. The promise of tomorrow.

Canon

Children on the stage
of life.

A message from violinist
Maxim Vengerov,
UNICEF's Envoy for Music.



In my travels through the world of music, performing on stages from Tokyo to Budapest, I have learned that, to create a successful performance, a trio of elements is required: a violinist who controls the sound, a violin that can emit the sound, and the bow that draws the sound from the instrument. All three are equally important.

In my travels through the world of UNICEF, meeting and teaching children from East Harlem to Sarajevo, I have learned that, to help a child succeed as a learner, a trio of elements is also required: a curriculum that guides learning, a child who can absorb the learning, and the teacher who inspires the child to accomplish.

And, in the case of learning, all three are not just important to the success of our children's performance. They are vital to the survival of our world.

Maxim Vengerov

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Nigeria Vote Gives Democracy a Lift

By James Rupert
Washington Post Service

LIBREVILLE, Gabon — The high turnout in local elections last weekend in Nigeria augurs well for the country's effort to end years of military rule and is important in bolstering efforts throughout West Africa to democratize, according to African analysts.

While Nigeria's election commission has not released overall figures on voter turnout, the long lines at polling stations throughout Africa's most populous country underscored the people's enthusiasm for the return to civilian government being led by the head of state, General Abdulsalam Abubakar.

Throughout the region, including Gabon, which held its own elections last weekend, Africans have been closely following the Nigerian election.

As results accumulate from the voting Saturday for Nigeria's local government councils, it appears that state and national elections to be held in the next 12 weeks will be contested by three parties — two broad coalitions and a narrower, but powerful, party based mainly in the southwest and representing the aspirations of the Yorubas, one of Nigeria's three largest ethnic groups.

African advocates of democracy applauded the vote.

Emeka Anyaoku, a Nigerian who serves as secretary-general of the London-based Commonwealth, said he congratulated the Nigerian election commission "for the successful conduct of this first phase of the electoral program, which bodes well for the elections still to come."

The Commonwealth, an association of current and former components of the British Empire, took the lead in isolating Nigeria under the former military regime of General Sani Abacha, who died in June.

With about 80 percent of the local races tallied, the People's Democratic Party, a broad alliance of prominent political leaders from various regions, had won control of about 60 percent of the Nigerian councils, Reuters reported.

A more conservative broad coalition, the All Peoples' Party, had won about 25 percent, and the Alliance for Democracy — the Yoruba-dominated group — was in third place. Six other parties trailed and are unlikely to show enough of a nationwide base to qualify for the state and national elections under electoral rules.

While the voting was largely calm, violent clashes in and around the economically depressed Niger River delta killed a dozen or more people, news agencies reported.

Minority groups in the delta have pursued increasingly desperate and violent campaigns throughout the decade for a greater share of power and the revenues from oil fields beneath their lands.

The showing by the People's Democratic Party will strengthen the perception that its most prominent political figure, the former military ruler Olusegun Obasanjo, is the front-runner in the presidential race. General Obasanjo is a Yoruba, but he gets limited support from members of his own ethnic group, many of whom see him as lukewarm in the pursuit of the Yorubas' political interests.

General Obasanjo faces a challenge for the party's nomination, notably from a powerful leader of the ethnic Ibo community, Alex Ekwueme. Mr. Ekwueme was vice president of Nigeria's last civilian government, which ruled from 1979 to 1983.

Nigeria's elections and the emerging political lineup reflect broad demands for decentralization and redistribution of the power that for years has been concentrated in the hands of ruling military officers. In a country where the military has reneged on many promises to hand back power to civilians, the election was the strongest sign so far that General Abubakar's transition will take place.

What is happening in Nigeria is



General Abubakar, the leader of Nigeria's return to civilian rule.

very good for the entire region," said Sadikou Alao, a lawyer from Benin who heads a West African democracy lobby known by its French-language acronym, Gerddes.

BRIEFLY

Iranian Publisher Acquitted of Libel

TEHRAN — An Iranian court has acquitted a leading moderate newspaper publisher of almost all charges of libeling the police, the paper reported Tuesday.

The daily, published by the daughter of former President Hashemi Rafsanjani, is among those under pressure from hard-liners trying to stem President Mohammed Khatami's liberal reforms. Called Zan (Woman), it had accused a top security official of being nearby when two members of Mr. Khatami's cabinet were beaten.

The court did find Fazeh Hashemi, who is also a member of Parliament, guilty of the minor charge of insulting the police intelligence department, but said she deserved a lighter sentence, the newspaper said. The court will pass sentence at a later date. (Reuters)

Libyan Congress Meets on Lockerbie

TUNIS — The General People's Congress, the legislative and executive body that will formally endorse

any Libyan decision on the Lockerbie issue, began a meeting Tuesday that is expected to last several days.

After refusing to hand over two alleged intelligence agents to Britain or the United States, Libya won agreement earlier this year for a trial before Scottish judges on neutral Dutch territory, but it remains at odds with Washington and London over where the men would be jailed if found guilty.

Zinatti Muhammad Zinatti, chairman of the Congress, announced that the assembly had invited Colonel Moammar Gadhafi, the Libyan leader, to attend the meeting, but that he did not show up. (Reuters)

Colombia President Cheered in Mexico

MEXICO CITY — The president of Colombia has told Mexican lawmakers that only economic reform would eradicate their countries' widespread poverty, drug smuggling and guerrilla warfare.

"Employment is the new name for peace," President Andres Pastrana said Monday in a speech before the Mexican Senate that prompted a rare standing ovation. Mr. Pastrana is on a four-day visit to Mexico. (AP)

BOOKS

THE RUM DIARY

By Hunter S. Thompson. 204 pages. \$24. Simon & Schuster.

Reviewed by Jonathan Yardley

WRITTEN more than three decades ago, this slender but quite engaging novel is Hunter Thompson's 11th book and his only work of fiction.

Usually literary apprentice work or juvenilia should be allowed to rest in the file cabinets to which its authors entrust it, but this is not always so; there is reason to be grateful that last summer's release of a film adaptation of Thompson's most celebrated work, "Fear and Loathing in Las Vegas," has inspired him to let "The Rum Diary" see the light of day.

One reason is that, although the novel pretty much falls to pieces in its second half, its first half is genuinely likable and appealing.

Memoir masquerading as fiction, it gives us Thompson, a.k.a. Paul Kemp, as a young journalist practicing his trade at a disreputable English-language newspaper in Puerto Rico around 1960. There's a lot of hell-raising and drinking in the book, hence its title, and thus it anticipates the King of Gonzo that Thompson was to make of himself a few years later, but there's also a charming innocence about it.

This is a useful reminder that beneath the self-destructive and wrathful self-image Thompson has fabricated for himself lies another self, a man not immune to sentiment and nostalgia, a professional journalist who holds his business and himself to exacting standards even as he tries to reshape the business and himself in more provocative, less conventional forms.

If there is any anger or scorn in this book, it is directed at business interests that exploit and destroy natural beauty and journalists who sell out to them.

In his later work, Thompson has turned his gifts for invective and malediction on these and other offenders; here the mood is wistful and sad, and surprisingly affecting.

BEST SELLERS

The New York Times		
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on the list are not necessarily consecutive.		
FICTION		
The Week	Last Week	Wk. on list
1 AMERICAN FULL by Tom Wolfe	1	3
2 MIRRI & IMAGE by Danielle Steel	2	3
3 THE WIND BLOWS by James Patterson	3	4
4 THE BONES by Stephen King	4	5
5 ALL THOUGH THE NIGHT by Mary Higgins Clark	5	6
6 THE WISDOM BIBLE by Barbara Kingsolver	6	8
7 THE SIMPLE TRUTH by David Baldacci	7	10
8 RAINBOW SIX by Tom Clancy	8	10
9 THE VAMPIRE ARCADE by Anne Rice	9	10
10 THE PATH OF DAGGERS by Robin Jordan	10	11
11 MEMOIRS OF A GISHKA by Arthur Golden	11	12
12 THE FEELING by J. D. Salinger	12	13
13 WELCOME TO THE WORLD by Jane Lee Curtis	13	14
14 THE LOST by Fannie Flagg	14	15
15 THE HAMMER OF EDEN by Ken Follet	15	16
NONFICTION		
1 TUESDAY WITH MORRIE by Mitch Albom	1	54
2 THE CENTURY by Peter Jennings and Todd Browner	2	1
3 CONVERSATIONS WITH GOD: Book 3 by Neale Donald Walsch	3	1
4 FOR THE LOVE OF THE GAME by Michael Jordan	4	2
5 THE PROFESSOR AND THE MADMAN by Simon Winchester	5	10
6 AND THE HORSE HE RODE IN ON by James Carville	6	5
7 THE DEATH OF OUTRAGE by William J. Bennett	7	13
8 BLIND MAN'S BLUFF by Sherry Sontag and Christopher Drew with Anne Lawrence Drew	8	1
9 THE TEN COMMANDMENTS by Laura Spillius and Stewart Vogel	9	11
10 LINDERBACH by A. Scott Berg	10	10
11 CONVERSATIONS WITH GOD: Book 1 by Neale Donald Walsch	11	10
12 SHAKESPEARE: The Invention of the Human by Harold Bloom	12	4
13 THE AMERICAN CENTURY by Harold Evans with Carl Buckland and Aaron Replogle	13	1
14 PURE DRUG by Steve Martin	14	8
15 DAVE BARRY TURNS 50 by Dave Barry	15	6
ADVICE, HOW-TO AND MISCELLANEOUS		
1 THE FINANCIAL FREEDOM by Suze Orman	1	54
2 SOMETHING MORE by Sarah Ban Breathnach	2	1
3 SUGAR BUSTERS by H. Leighton Steward et al.	3	28
4 THE BREAKFAST CANON PREVENTION DIET by Robert Aron	4	5

Paul Kemp arrives in San Juan to work for the Daily News, run by an ex-Communist named Reed Lotteman and staffed by "the whole gamut from genuine talents and honest men, to degenerates and hopeless losers who could barely write a postcard."

Kemp himself is "a seeker, a mover, a malcontent, and at times a stupid hellraiser" who "was never idle long enough to do much thinking, but... felt somehow that my instincts were right," who had "a vagrant optimism that some of us were making real progress, that we had taken an honest road, and that the best of us would inevitably make it over the top."

Kemp has done time in Europe and New York, has wearied of the journalistic life there and has come to San Juan seeking whatever it decides to offer him. What he finds is summed up in a paragraph that gives a hint of Thompson prose to come but also is, in and of itself, vivid and evocative:

"There was a strange and unreal air about the whole world I'd come into. It was amusing and vaguely depressing at the same time. Here I was, living in a luxury hotel, racing around a half-Latin city in a toy car that looked like a cockroach and sounded like a jet fighter, sneaking down alleys and humping on the beach, scavenging for food in shark-infested waters, hounded by mobs yelling in a foreign tongue — and the whole thing was taking place in quaint old Spanish Puerto Rico, where everybody spent American dollars and drove American cars and sat around roulette wheels pre-

tending they were in Casablanca. One part of the city looked like Tampa and the other part looked like a medieval asylum. Everybody I met acted as if they had just come back from a crucial screen test."

Thompson's eye for the ludicrous and incongruous obviously was already developed at this early stage in his career, and so too was his acridulous pen:

"What passed for society was a loud, giddy whirl of thieves and pretenacious haters, a dull sideshow full of quacks and phillistines with gimp mentalities."

The images that Thompson later would refine in Las Vegas and on the campaign trail had already taken shape in his mind.

Yet his eyes were clear enough to see the beauties of a tiny island called Vieques and to know that, doing back work for a developer, he "was being paid \$25 a day to ruin the only place I'd seen in ten years where I felt a sense of peace."

In later years, as Thompson refined a well-bellished prose, as he invented and quickly personalized the gonzo style, it became harder and harder to remember that at the core of this hard-drinking, hard-talking, hard-living man is a moralist, a Puritan, even an innocent.

The best thing about "The Rum Diary" is that it gives us this side of him without apology, even, I suspect, with a kind of pride.

For this reason it is a lovely book and a useful contribution to a body of work that's likely to gain substance and weight with the passing of time.

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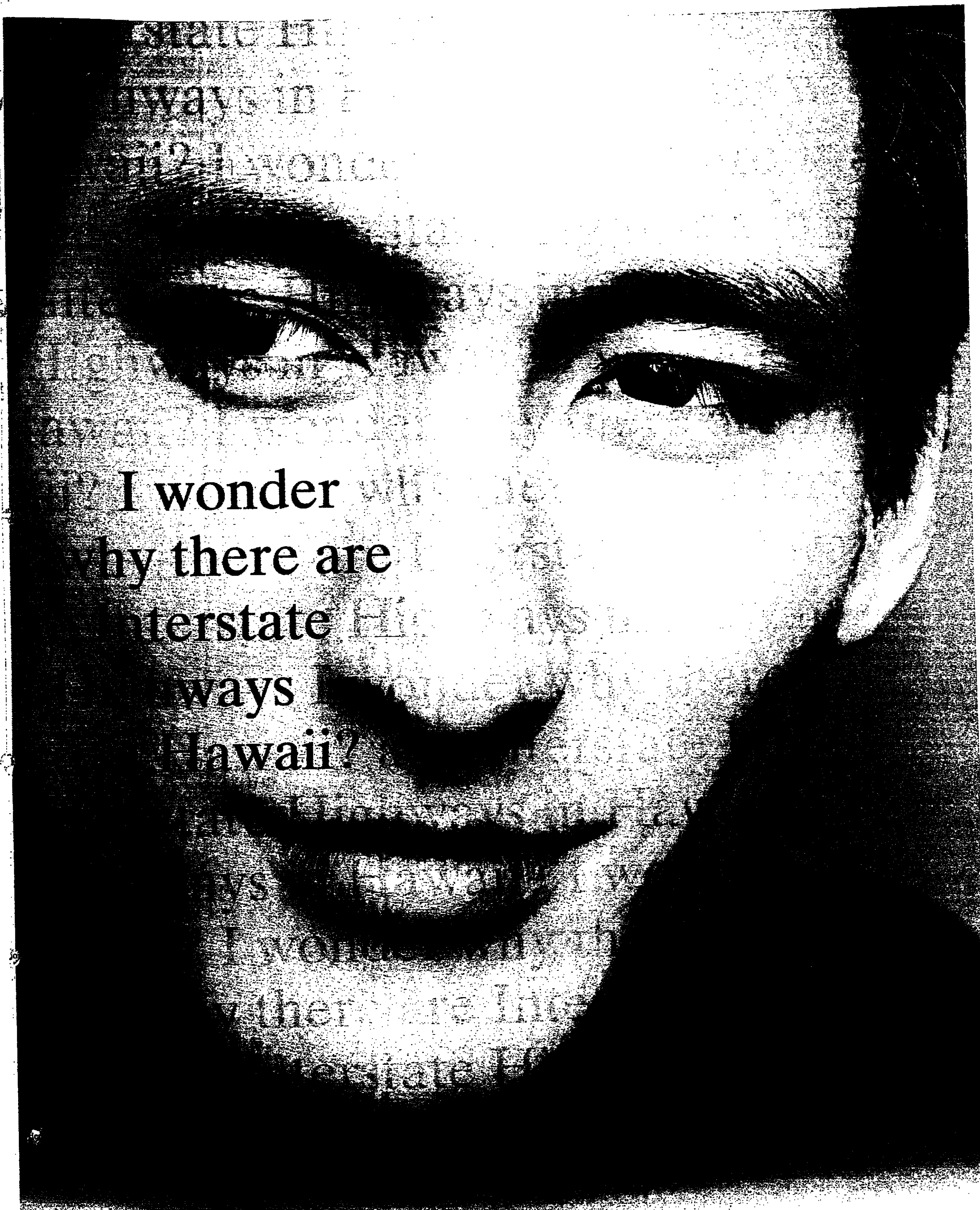
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ASIA/PACIFIC

Asians Drive Rise in U.S. Of Foreign Student Total

Agence France-Press

WASHINGTON — Bolstered by Asian enrollment, the number of foreign students in the United States surged 5.1 percent to 481,200 in 1998, after four years of flat growth, a new study says. The number of American students abroad also rose a steep 11.4 percent from 1997, to nearly 100,000.

These figures are contained in the annual "Open Doors" report from the

Institute for International Education for the U.S. Information Agency.

Keith Geiger, USIA director of academic programs, said the agency was "delighted" to see both the increased numbers of international students choosing to study in the United States and the greater number of U.S. students going abroad.

But he said that from 1995 to 1997, the American share of all international students dropped to 30 percent, from 32 percent. That is down substantially from 40 percent in the 1980s.

Japan was the leading country of origin for foreign students in the United States, with 47,073, followed by China with 46,958, and South Korea with 42,890.

Asian students account for more than half of international student enrollment in the United States, at 57.6 percent, the study said. It said that the number of Asian students increased by 6.4 percent to 277,508 this year.

Korean student enrollment rose 15.5 percent, Chinese enrollment 10.5 percent, and Indian enrollment 10.4 percent, the study said.

The study does not take into account the higher-than-usual drop-out rate this year among the 80,000 Asian students whose home countries were hit hardest by the Asian financial crisis: Indonesia, Malaysia, South Korea, the Philippines, and Thailand.

A survey in March found that nearly 10 percent of students from those countries dropped out in 1998. The drop-out rate among South Korean students was sharpest, with many U.S. campuses reporting losses of up to 20 percent.

The most popular destination is New York City, with 24,855 international students this year, ahead of Los Angeles.

Seoul Revives Plan To Replace Missiles

The Associated Press

SEOUL — South Korea will revive a \$2.3 billion plan to build an air defense system to replace its aging U.S. missiles, according to Defense Ministry officials.

The decision follows the accidental firing Friday of a Nike-Hercules anti-aircraft missile into busy commercial airspace over the western city of Incheon.

The officials quoted Defense Minister Chon Yong Taek as telling military leaders Monday night that the missile system would be upgraded "as soon as possible."

Earlier plans to replace the Nike-Hercules missile defense system, first deployed in the 1960s, had been put on hold this year because of the nation's financial crisis.

A report on the accident last week indicated the missile's built-in communications system malfunctioned and triggered the firing. Similar accidents occurred in 1997 and 1980.



IN MEMORIAM — A man in a former Japanese Imperial Army uniform saluting Tuesday at the Yasukuni Shrine, which is dedicated to Japan's war dead. Tuesday was the anniversary in Japan of the attack on Pearl Harbor.

While foreign students comprise just 3 percent of all college and university students in the United States, the Commerce Department ranks higher education as America's fifth-largest service export.

The U.S. government says foreign students contribute more than \$7.5 billion to the U.S. economy annually in school fees and living expenses.

Business administration and engineering remain the top fields of study for international students, but computer science and the arts are gaining in popularity.

Most students from the United States continue to study in Western Europe, but Latin America and Asia are gaining in popularity with them, with an increasing number of Americans traveling to China, Australia and Mexico for study.

INDONESIA: Unrest Worries Neighbors

Continued from Page 1

elsewhere in Indonesia continue to surface, and religious and ethnic conflict, including attacks on members of the substantial ethnic Chinese minority, remains a problem.

Officials in Southeast Asia say privately that they are also worried that a Balkanization of Indonesia could inflame social tensions elsewhere.

Mr. Siazon was speaking after annual consultations with officials in Brisbane, Australia. Foreign Minister Alexander Downer of Australia said he hoped that Indonesian parliamentary elections scheduled for June and presidential elections later in 1999 would be the most democratic since 1955, before former President Suharto came to power with the backing of the armed forces in 1967.

But making the transition, from the type of regime that Indonesia had before under President Suharto to a more fully fledged democracy in a pretty short period of time, is going to be an extraordinarily difficult challenge," Mr. Downer said.

"There are all sorts of different centers of power emerging in the country, competing with each other, and that doesn't make for an easy political environment."

Mr. Suharto was forced to resign in May after a nationwide wave of student-led protests. Since then, racial and religious clashes have continued, and recently increased, raising concerns that they are being fanned or engineered by rival groups in a struggle for power ahead of the elections next year.

"The political elite are fighting amongst themselves to satisfy their own ambitions," Abdurrahman Wahid, a moderate who heads the Nahdlatul Ulama, the largest Muslim organization in Indonesia, said in an interview published Tuesday in The Straits Times of Singapore.

The situation is in turmoil. People are killing people with increasing frequency, and that is the clearest

sign yet of a society tearing apart. If this continues, we face a social revolution."

The turmoil is made worse, four officials and analysts say, because President Habibie is relatively weak, while the once feared and powerful military is divided and discredited by past excesses, including the shooting of student protesters in Jakarta last month.

Some in the military want democratic reform to proceed; but others want to hang on to their power and privileges, and those forces may be fermenting conditions for a coup attempt, analysts say, possibly in collusion with Mr. Suharto or those close to him.

In its editorial, the Business Times said Mr. Habibie's government, having agreed with Parliament on firm dates for elections, might gain some political stability.

But it added: "Clearly, Indonesia remains on the brink of a breakdown of social order which could lead to political disintegration. President Habibie must now keep to his promised timetable, no matter what obstacles are placed in his way. Indonesia's only chance to recover quickly from its crippling political and economic paralysis is in his hands."

The U.S. warning on aid came from Mr. Campbell shortly after the issuing of the Pentagon's latest East Asia Strategy Report. The report said Indonesia's economic and political difficulties would pose challenges to the established order both internally and in the region.

"Indonesia's geostrategic position and regional influence make it important for the United States to maintain cooperative bilateral defense relationship," the report said.

"If there is a situation developing in country like Indonesia," Mr. Campbell said, "in which the military is used in such a way to subvert the democratic process, it makes it very difficult, if not impossible, for the United States to have a normal workaday relationship with that military."

China Urges U.S.-Pyongyang Talks

Reuters

BEIJING — China called for "patient cooperation" with Pyongyang as the U.S. envoy William Perry arrived Tuesday for talks on the recurring tension on the Korean Peninsula.

A government spokesman made it clear that Beijing opposed any retreat from a 1994 deal between the United States and North Korea under which Pyongyang pledged to scrap its suspected nuclear weapons program.

That deal has been threatened by North Korea's refusal to give Washington free access to a vast underground complex being built near a mothballed Soviet-era nuclear plant capable of making weapons-grade plutonium.

"We hope the parties directly concerned will cherish the results already achieved and continue to solve emerging problems through patient cooperation," the spokesman, Zhu Bangzao, said at a news briefing.

He added, "We hope the parties concerned will resolve the nuclear issue through dialogue and consultations rather than other measures which might escalate further the conflict."

Mr. Perry, the U.S. policy coordinator for North Korea, arrived from South Korea as part of a three-nation tour to review U.S. policy on North Korea.

In Seoul, Mr. Perry issued a statement saying Washington's policy toward the North must be conducted "shoulder-to-shoulder with South Korea." "We have not come to any judgments," he said.

On Monday, Mr. Perry met President Kim Dae Jung of South Korea, and both sides agreed to act "sincerely" against the North if necessary but to maintain a policy of engagement.

Beijing, one of North Korea's few remaining friends, has a key role to play in promoting peace and stability on the Korean Peninsula.

IRAN: Tehran Seeks Germ Arsenal, Russians Say

Continued from Page 1

in his country, but were doing only peaceful research. He also stressed that Iran had ratified a 1972 international treaty banning germ warfare. He said he "categorically" rejected the claim that Iran was hiring Russian biologists to work on germ warfare.

Other Iranian officials have said Iran's research is being conducted for purely peaceful purposes. But veterans of the Soviet and U.S. germ programs dismiss such claims.

"It's often hard to distinguish between a drug and a weapon, or between offensive or defensive research," said Lev Sandakhschiev, director of the state laboratory known as Vector, which made deadly viruses for weapons in Soviet times. "What counts is intent."

An important figure in the Iranian buying network, Russian scientists and Western officials say, is Mehdi Rezaayat, an English-speaking pharmacologist in Tehran who works directly for President Mohammad Khatami as a "scientific adviser," according to his business card, which was provided by a Russian scientist.

Russians approached by the Iranians say the recruitment style alone raises suspicions. Visiting delegations, they said, are sometimes led by Iranian clerics, who wield ultimate power in the Iranian theocracy and are ambiguous about what they want the Russian scientists to do.

Moreover, the Iranians have shown particular interest in learning about microbes that can be used in war to destroy or protect crops, as well as genetic engineering techniques that are vital both to legitimate research and to making deadly germs for which there may be no antidotes.

American officials assert that Tehran's biowarfare program may have already turned some germs and toxins into weapons, but they have scant information on Iran's progress.

To counter recruiting efforts by Iranians and others, the United States has quietly begun an effort to become the largest and best-funded competitor for the allegiance of Russia's former germ warriors. Washington is sponsoring scientist-to-scientist exchanges, joint research projects and programs to convert to civilian use laboratories and institutes once associated with the Soviet germ program.

The United States expects to spend at least \$20 million next year trying to keep Russian scientists peacefully employed at home.

"This is a high-stakes game to win the hearts and minds of Russia's best scientists, who are dangerous simply because of what they know," said Senator Dick Lugar, Republican of Indiana, who recently visited former Russian weapons sites now engaged in peaceful research.

Shortly after the Gulf War, Russian scientists said, Iran tried to recruit Russian biological scientists from leading germ laboratories. The effort largely failed, the scientists said, and Mr. Rezaayat and other Iranian agents turned their attention to smaller institutes.

In an interview, Gennadi Lepyoshkin, the former director of Steptogorsk, a sprawling germ weapons plant in Kazakhstan, said that he had been approached in 1991 by Iranian middlemen who presented themselves as private entrepreneurs interested in establish-

ing commercial contacts.

"But their proposals were such that we immediately declined and ceased contact with them," said Mr. Lepyoshkin, whose plan once specialized in developing and producing anthrax weapons.

Scientists say the Iranians' 1997 visit to the All-Russian Institute of Phytopathology in Golitsino, which is about 50 kilometers (30 miles) west of Moscow, was typical.

Under communism, the institute made pathogens that would kill crops. But since the collapse of the Soviet Union, it has struggled to do peaceful research. In the last seven years its staff has dropped to 276 from 1,200, and employees are paid only intermittently. Despite the hard times, the institute has become leader in pesticide research and in transgenic plants, whose genes are manipulated to resist certain herbicides, insects and diseases.

About a year ago, one of its scientists bumped into Mr. Rezaayat while visiting Moscow-based laboratory.

"Rezaayat seemed to have visited most laboratories in the area," recalled the Russian scientist, who invited him to come to Golitsino and meet his colleagues.

Eventually, a five-man Iranian delegation made the trip and met, among others, Yuri Spiridonov, a crop expert who is now head of the herbicide department. The Iranians expressed interest in scientific exchanges between Russia and Iran, Mr. Spiridonov said.

He told the Iranians that he had no objection in principle to such collaboration. But the delegation made Mr. Spiridonov nervous. For one thing, he said, only half of the Iranian were scientists. "The others just sat there with their hands folded and said nothing," he said.

In addition, he said, they asked "troubling" questions about substances related to biological warfare. Mr. Spiridonov declined to elaborate, though he said, "these were no scientific questions," during an interview at that same office.

Wary of his guests' intentions and of endangering his growing ties to Western scientists and companies, Mr. Spiridonov declined invitations to visit Tehran or to discuss his research in any detail.

But three other scientists at the institute did visit Tehran, and invitations keep coming.

Mr. Rezaayat, reached by phone in Moscow on Sunday and asked about allegations that he was helping to recruit Russian scientists for germ warfare, said such claims were both common and spurious, but added that he could say nothing more without Tehran's approval. He promised to seek permission. On Monday his assistant said that Mr. Rezaayat was no longer in Russia.

Western officials identify Mr. Rezaayat as key official in the biology branch of an Iranian office that covertly shops for talent and technology involving nuclear, chemical and biological weapons. It also has responsibilities for public health.

That office, said Ahmad Hashim, a Middle East expert who is a consultant for the U.S. government, is well known for its relentless pursuit of expertise and technology in deadly weaponry, and not just in Russia. "They are definitely hunters," a U.S. official agreed.

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INTERNATIONAL

Filling a Power Breach, Republican Whip Leads the Charge

By Eric Schmitt
New York Times Service

WASHINGTON — As Representative Tom DeLay of Texas, the third-ranking House Republican, whips and wheedles his colleagues toward impeaching President Bill Clinton, he seems to be filling the space between the departure of the House speaker, Newt Gingrich, and the arrival of the speaker-to-be, Bob Livingston.

But as crucial votes approach, it is increasingly clear that Mr. DeLay, the Republican whip, is filling not so much a leadership vacuum as a need of the new speaker. Mr. Livingston is more than happy to let Mr. DeLay take the lead on impeachment, and to put pressure on undecided moderate Republicans by denying them a vote on a censure alternative.

While Mr. DeLay's power has grown, not diminished, since the disastrous midterm elections that cost Mr. Gingrich his job, House Republicans say it is inconceivable that Mr. Livingston, a Louisiana representative, would let Mr. DeLay maintain such a high public profile if he did not approve of his tactics.

"DeLay's role gives Livingston the chance to be a statesman," said Representative Zach Wamp, Republican of Tennessee, who is a close Livingston ally.

In recent days, Mr. Livingston has been busy courting conservatives wary of his tendency to cut deals with Democrats. He is strengthening ties with his leadership lieutenants, like Mr. DeLay, the chief Republican vote counter. And he is opening a long-closed door to conservative Democrats, beckoning them to join Republicans on addressing issues from Social Security to tax cuts.

What Mr. Livingston does not want: in the weeks leading up to his formal assumption of the speaker's job next month, is to be remembered as the man who let Bill Clinton off. Nor, with an eye on a future when Mr. Clinton may still be president, does he want to be known as a fanatic for impeachment. For those reasons, he gives Mr. DeLay lots of room to lead.

"There's a strategy, a psychology, for someone in a leadership position to take a leadership point of view," said Representative Joe Knollenberg, Republican of Michigan, a Livingston supporter.

Mr. DeLay's frontal assault spurs Mr. Livingston the messy infighting with House Democrats and the White House — at least until the House Judiciary Committee sends one or more



Tom DeLay, the House Republican whip, is leading the impeachment push.

articles of impeachment to the House floor this week — and postpones Mr. Livingston's crucial decision on whether to allow a censure vote if impeachment fails.

While publicly pook-pooking his influence, Mr. DeLay acknowledged as much on Sunday. "Gingrich is referring and deferring to Bob Livingston, and Bob is waiting for the report to come from the committee before he decides," Mr. DeLay said.

Mr. DeLay's Capitol Hill office is humming with the buzz of impeachment. Squadrons of young aides are readying their speed-dialers to summon lawmakers back to vote on one or more articles of impeachment next week. Staff members are clearing their desks to give dozens of Republican lawmakers who are retiring or lost their elections — and lost their offices — a place to pen notes and call colleagues.

With Mr. Livingston lying low, Mr. Gingrich all but gone and Representative Dick Armey, Republican of Texas, the majority leader, still licking

his wounds from a bruising fight to keep his leadership job, Mr. DeLay has filled the breach, using his vaunted whip operation to lead the impeachment charge against Mr. Clinton.

The very fact that Mr. DeLay, a pugnacious, steely-eyed son of an oil driller, is virtually alone among his fellow House Republican bosses on the impeachment stage, is tilting the way the drama is playing out.

"When you combine his leadership role and ability to count votes, and his personal feelings on this issue, it'd be hard for him not to be a central player," said Representative Howard McKoon, Republican of California, one of Mr. DeLay's assistant whips.

A hard-core conservative with close ties to the Christian right, Mr. DeLay painted a bull's-eye on Bill Clinton soon after the scandal involving Monica Lewinsky broke in January. He was one of the first Republicans to call on Mr. Clinton to resign, and in August, when other Republicans were shying away from



Bob Livingston, the House speaker-to-be, with his wife at an awards ceremony. He seems happy to remain above the fray.

challenging Mr. Clinton, Mr. DeLay brought his whip staff back from vacation to go on the attack.

His office acted as a congressional scandal clearinghouse, sending Republicans a thick binder of newspaper clippings, political history and Mr. Clinton's remarks from 1974 on Richard Nixon's impeachment inquiry, even before Kenneth Starr, the independent counsel, sent his report to Congress.

"For me," Mr. DeLay told radio listeners recently, "it's already been established that anybody who lies to the grand jury ought to be impeached."

With Mr. Gingrich retiring, House Democrats and the White House are trying to paint Mr. DeLay as their new bogeyman — the Republican that Democrats love to hate.

Mr. DeLay, a 51-year-old former pest exterminator from Sugar Land, Texas, is practically itching for a fight. "They tried to demonize Henry Hyde, they tried to demonize Linda Tripp, they tried to demonize Newt Gingrich, so I guess I'm the next candidate," said Mr. DeLay, whose nickname is the Hammer. "I'm ready for it."

What has turned Mr. DeLay from just another sharp-edged critic of the president to the man who may deal Mr. Clinton his most stunning defeat is the Texas's close ties to Mr. Livingston.

A deft politician, Mr. DeLay was one of the earliest backers of Mr. Livingston's campaign to succeed Mr. Gingrich, bringing with him the 65 whips in his vote-counting organization. The alliance sealed the speakership for Mr. Livingston.

As a reward, Mr. Livingston implicitly agreed to increase Mr. DeLay's budget and staff, and to give Mr. DeLay more say over the scheduling of legislation. Mr. DeLay also captured his most coveted empire-building prize: liaison to business groups, conservative groups and trade associations.

Mr. DeLay insists he is not formally keeping tabs on Republicans' impeachment votes. Both he and Mr. Livingston say any vote to impeach the president would be a vote of conscience for each member.

But moderate Republicans say that Mr. DeLay's views, combined with many Republicans' annoyance at the tone of Mr. Clinton's replies to 81 questions from the Judiciary Committee, have swung the momentum toward impeachment.

In three separate conference calls last Wednesday with his whips, Mr. DeLay took the temperature of House Republicans. This is what he heard: an up or down vote on impeachment this year, and no censure. Armed with that information, Mr. DeLay is tightening the screws on undecided Republicans.

"His clout derives from his consistency," Mr. Wamp said. "He's a bulldog on the positions he takes."

IMPEACH: Lawyers Start Clinton Defense

Continued from Page 1

the voters would not want their representative to vote for impeachment, while one third would.

Although the battle is being waged before the Judiciary Committee, the real fight is for the minds of perhaps two dozen Republicans in the full House who hold the balance of power in an impeachment vote.

Mr. Craig headed a broad-strokes defense, aimed not so much at contesting factual assertions from the independent counsel, Kenneth Starr, but rather at emphasizing the broad threat an impeachment could pose to the nation's business today and to the presidency in the future.

"From any fair reading of the constitution, and from any fair sounding," Mr. Craig said, there was nothing justifying Congress's "overturning a national election and removing our president from office."

But Republican members of the committee questioned him repeatedly about what they said were the brazen and inexcusable lies told by Mr. Clinton when he was asked, first in a deposition in the Paula Jones sexual harassment suit, and later by a grand jury, about his relationship with Ms. Lewinsky.

Mr. Craig and his witnesses emphasized what they said were the vast dangers of an impeachment in response to a sexual dalliance.

It would make it easier, they said, for future congresses to attack politically unpopular presidents.

They also insisted that the Lewinsky matter was far less grave than the official abuses of power that led to articles of

impeachment against Richard Nixon, and ultimately to his resignation, in 1974.

Even if every allegation made against the president were proved true, said the constitutional and legal scholars called by Mr. Craig, they would not rise to the level of impeachability.

At several points Mr. Craig acknowledged that Mr. Clinton's public comments on the Lewinsky matter and in the Paula Jones sexual harassment suit had been disappointing. That, he said, was far from making them impeachable.

"I'm willing to concede that in the Jones deposition, the president's testimony was evasive, incomplete, misleading, even maddening," Mr. Craig said, "but it was not perjury."

"No technicalities or legalisms should be allowed to obscure the simple moral truth that his behavior in this matter was wrong," Mr. Craig said. "He misled his wife and family, his friends and colleagues, and the nation."

"The president wants everyone to know, the committee, the Congress, and the country that he is genuinely sorry for the pain and the damage that he has caused and for the wrongs that he has committed."

It was one of the broadest expressions of presidential regrets and contrition since mid-August, when Mr. Clinton spoke to the public about his involvement with Mr. Lewinsky.

Mr. Craig emphasized, however, that the assertions of illegal behavior would be strenuously opposed. "Neither the law of perjury nor the facts of this case could sustain a criminal prosecution, much less, impeachment. As surely as we know that what he did was sinful, we also know that it is not impeachable."



Representative John Conyers Jr. of Michigan, left, the ranking Democrat on the House Judiciary Committee, conferring with the committee's Democratic counsel, Abbe Lowell, center, and Julian Epstein, an aide.

Mr. Craig and his witnesses sought to impress on committee members, and on other members of Congress listening, that a vote in the House to impeach — if made on the assumption that it will come at a low price since the Senate is unlikely to convict Mr. Clinton or that it could serve as a penalty in itself — would be a grave dereliction of duty.

Members of the first panel of experts insisted that the conduct of which Mr. Clinton was accused — even if every charge were proven — did not rise to the

level of impeachment.

Nicholas Katzenbach, who was attorney general in the Democratic administration of President Lyndon Johnson in the 1960s, said that the "process of impeachment is simply to remove from office upon conviction, not to otherwise punish the person involved."

If that power is not limited, as it clearly is, he said, then any president could be removed if a sufficient number of members of the House and Senate simply disagreed with his policies.

Mr. Katzenbach held that impeachment could only be appropriate if a president could be shown to have lost his ability "to carry out his role with the confidence of the public," and he said the results of elections and opinion polls showed no sign of that.

Another panel member, Sean Wilentz, a history professor at Princeton, said that the possibility of impeachment posed "an extremely dangerous" threat to the presidency and Constitution.

Citing the only time impeachment of a president passed the House and came to trial in the Senate — after President Andrew Johnson, in 1868, defied a politically hostile Congress in his appointment of a secretary of state — Mr. Wilentz said that the result "drastically weakened the presidency for decades."

He told committee members that their reputations would be darkened if they voted for impeachment without an "absolute conviction" that Mr. Clinton had committed impeachable offenses.

They would be "fairly accused of gross dereliction of duty," he said, and would risk "going down in history with the zealous and the fanatics," adding, "History will track you down and condemn you for cravenness."

Samuel Beer, a Harvard University professor of government, warned the committee that an impeachment, except if absolutely justified, could dangerously lower the bar to future impeachments.

The other panelist, Bruce Ackerman, a Yale University professor of law and politics, challenged the scenario under which this House would pass articles of impeachment and the new Senate that is convened in January would hold a trial.

The 20th Amendment to the Constitution, he said, prevents a lame-duck House from sending unfinished business to an incoming Senate.

Three former Democratic members of Congress also testified that what Mr. Clinton did was wrong, but that it was far from impeachable.

Robert Drinan, a Roman Catholic priest now on the law faculty of Georgetown University, said Mr. Clinton's mistakes could not be compared to the "appalling crimes" of Watergate.

Elizabeth Holtzman of New York said that impeachment was intended not to "punish a nation" as she said impeaching Mr. Clinton would do, but to protect it from serious abuses of power.

Wayne Owens of Utah agreed, saying that impeachment "would have a terrible impact on the public."

Their comments drew an emotional rejoinder from Representative Howard Coble, Republican of North Carolina. He insisted that there were parallels to Watergate, which he listed as "evasion, lying, deception, using government employees" to orchestrate a cover-up.

Tension Climbing in West Bank Before Clinton Visit

The Associated Press

JERUSALEM — New incidents of violence erupted Tuesday in the West Bank as domestic pressure mounted on Prime Minister Benjamin Netanyahu to abandon the Wye River land-for-security agreement with the Palestinians.

The violence and Israel's political turmoil came just days before the start of President Bill Clinton's visit to Israel and the Palestinian areas.

The trip was intended to shore up the agreement negotiated in October at the Wye Plantation in Maryland and restore calm to the region, but appears to be having the opposite effect.

In Gaza City, armored personnel carriers were deployed outside the convention center where Mr. Clinton is to address 1,500 Palestinian delegates next week. Later in the week,

streets around the hall will be sealed.

The Palestinians have presented a plan for protecting Mr. Clinton to U.S. Secret Service agents in Gaza and the United States, in turn, has given the Palestinians sophisticated bomb detection devices.

The militant Islamic group Hamas has not openly threatened the president. But it is bent on derailing U.S. peace efforts.

In three separate West Bank clashes Tuesday, Palestinians threw stones at Israeli troops and motorists. In the town of Ram, north of Jerusalem, soldiers fired tear gas and rubber bullets at high school students, injuring four. In the Kalandia refugee camp, troops fired rubber bullets after their jeep was stoned and an officer was slightly injured. Near Bethlehem, an 11-year-old Israeli girl was hurt when stones struck the car she was riding in.

Tensions in the Palestinian areas have been running high in recent days because of the dispute with Israel over the release of Palestinian prisoners held in Israeli jails. The Palestinians hope that as part of the Wye accord Mr. Clinton will back up demands that Israel release more Palestinians held for anti-Israeli activities.

Israeli media have said that Mr. Netanyahu has already made a secret deal with coalition hard-liners to freeze the peace accord. In exchange, the hard-liners agreed to withdraw support for an early elections bill.

On Monday, when the bill came up for a first of three readings, Mr. Netanyahu still did not have enough support. In a desperate move to buy time, he had a coalition partner, the United Torah Front, seek a no-confidence vote in his own government, thus postponing the decision on early elections by two weeks.

■ Albright Admonishes Sharon

Steven Erlanger of The New York Times reported earlier from Washington: The United States scrambled Monday to keep the October agreement between Israel and the Palestinians on track, with Secretary of State Madeleine Albright warning her Israeli counterpart, Ariel Sharon, to adhere to the timetable set in the agreement and not to add new conditions.

Later Monday, Mr. Clinton dropped by a meeting between Mr. Sharon and Sandy Berger, the national security adviser, and spent about an hour discussing the new problems in the Middle East.

Mr. Clinton's visit this weekend to the region is likely to be devoted to damage control as much as to celebration, one American official said.

In his news conference with Mrs. Albright, Mr. Sharon repeated Israeli warnings that the second phase of the Wye agreement, requiring Israeli pullbacks from the West Bank in return for specific Palestinian steps to combat terrorism, could not go ahead if the Palestinians did not keep their own commitments.

He accused the Palestinian leader, Yasser Arafat, of "activating and encouraging" what Mr. Sharon called a "renewed intifada," or uprising, that represents "a very difficult and critical obstacle to the continuation of the peace process," which we all want to achieve.

Later, Mr. Sharon again warned that if Mr. Arafat unilaterally declares Palestinian statehood after May 4, 1999, when the steps toward peace set out in the initial Israeli-Palestinian agreement in Oslo are formally completed, Israel would annex parts of the West Bank not yet given to the Palestinian Authority.

Mrs. Albright dismissed questions about whether Mr. Clinton might postpone his visit, saying that the visit itself is a part of the agreement.

CLINTON: Advisers Debate What More the President Can Do

Continued from Page 1

president went about his business on behalf of the American people.

Now they must call attention to the gravity of possibly removing a president from office. They also hope to knock down the idea, advanced lately by some Republican proponents of impeachment, that the House vote is a routine procedural step and that the more serious decision will come in the Senate.

Mr. Clinton remains confident that he has won the majority of Americans to the cause of keeping him in office, but he and his advisers know that a much smaller group will determine whether he can avoid the historical ignominy of an impeachment vote in the House.

There are perhaps two dozen moderate Republicans who will determine whether an impeachment article will pass the full House. The defense that Mr. Clinton's lawyers mount in the Judiciary Committee on Tuesday and Wednesday is being staged with this small caucus of swing votes prominently in mind.

The tone is intended to be factual, aimed at rebutting the popular notion that Mr. Clinton committed perjury in either his Paula Jones deposition or his Aug. 17 grand jury testimony. But Republicans have warned that another legalistic, hairsplitting defense could further damage the president's cause, reinforcing the delicate nature of the lawyers' mission.

His lawyers present the defense, Mr. Clinton will be presiding at a conference on Social Security. On Saturday, about the time the House Judiciary Committee hopes to finish voting on articles of impeachment, he will leave for a four-day trip to the Middle East.

The contrast was precisely the symbolism the White House once wanted. But now Clinton advisers are not sure

there is sufficient public focus on the historic step the House seems prepared to take.

"The country has been Christmas shopping and thinks this matter has been winding down," a White House adviser said. "They're going to be in a state of shock when they see what the House has done."

Doug Sosnik, a White House senior adviser, said that House members may be reluctant to cast a partisan vote once they have heard the president's presentation this week.

"When most members of Congress retire," he said, "they are quickly forgotten and few people will remember what their specific accomplishments are. This is a vote people will remember where they were. This is one they have to live with the rest of their lives."

"People are talking about the political calculations of this vote as if it's just another issue before Congress. But at the

end of the day, this vote is different."

Once again White House aides have debated whether the president should make some kind of public statement before the full House takes up any articles of impeachment approved by the committee.

So far, they say, nothing formal is planned. Several political advisers, who in the past have encouraged an aggressive public stance, now wonder whether there is anything to be gained.

"Every utterance he has made they have rejected as insincere," said Bill Carrick, a Democratic strategist based in California. "I don't know if they would accept it. I don't know that inside the Republican caucus there is going to be any dynamic created by anything the president does that will lead to a significant group of Republican members making a case that they should do anything other than an up-or-down vote on impeachment."

Illiteracy, Notably Among Girls, Is Spreading in the Third World

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — Nearly one-sixth of the world's 5.9 billion people cannot read or write, according to a survey published Tuesday by Unicef, the United Nations Children's Fund.

The study predicts, moreover, that illiteracy rates will continue to grow steadily into the next century because one out of about every four children in the poorest nations is not now in school.

More than half of those denied an education are girls.

The study also found plummeting educational conditions in the countries that were once part of the former Soviet

Union, where levels had been high by world standards.

Apart from a deepening division between rich, computerized societies and those without even the rudimentary tools of knowledge, the report says, illiteracy has a direct relationship to important health indicators and fertility rates.

An overwhelming percentage of illiterates are in countries with high population growth, such as India and Pakistan, where better educated women and children could significantly reduce other social disadvantages, Unicef's experts say.

"A 10 percentage point increase in girls' primary enrollment can be expected to decrease infant mortality by 4.1 deaths

per 1,000, and a similar rise in girls' secondary enrollment by another 5.6 deaths per 1,000," the report said. "This would mean concretely, in Pakistan for example, that an extra year of schooling for 1,000 girls would ultimately prevent roughly 60 infant deaths."

Fertility drops sharply as education rises, Unicef said. In Brazil, the report found, illiterate women have an average of 6.5 children while those mothers with a secondary school education have an average of 2.5 children.

Unicef and other organizations working with children argue that education should be guaranteed under the 1990 Convention on the Rights of the Child. But the intentions of that treaty are being

overwhelmed by a host of practical as well as political problems.

Economic crises in countries like Russia and Indonesia take a toll. And widespread ethnic conflict has made refugees of millions of children at a time when international aid for education projects is decreasing. Uprooted children are often turned into combatants by various military forces.

Often education has to compete for assistance with more immediate needs like food and shelter, although refugee experts agree that one of the most effective ways to create a sense of stability and normality among displaced children, many of them orphans, is to create classrooms, however rudimentary.

SPACE: Station Is Hooked Up

Continued from Page 1

Ross had hooked up two cords, each carrying four cables, between Unity and the airlock tunnel that attaches it to the shuttle and through which the astronauts plan to enter the station Thursday.

By 0130 GMT, the spacewalkers were more than an hour ahead of schedule. But Mr. Ross said that some of the cables located in chilled shady spots were so stiff that they were difficult to work with. Some connectors seemed unexpectedly delicate, requiring careful handling.

Engineers designed the hardware and its installation to minimize difficulties for the spacewalkers. The sockets and cables, the results of years of design work, were made to be handled easily by gloved hands, with latching mechanisms that pull the two mating surfaces into alignment.

Every crucial connection has a backup in case a socket is damaged or fails to fit. The spacewalk was the first of three planned for this shuttle flight and the first of more than 160 that will be required to build the \$63 billion international space station over the next five years.

"Fantastic!" Mr. Ross said when asked about the view from his work site. "When I have time to look," he added.

To aid movement for themselves and future crews, the spacewalkers installed an 18-foot slide wire down Unity's hull to which a tether can be attached to secure astronauts to the structure. This enabled Mr. Newman to move up to the junction of Zarya and Unity. Ms. Currie lifted Mr. Ross there, where he connected the last six cables, by fully extending the shuttle arm.

As the crew started on that final set, about 0200 GMT, ground controllers reported they were receiving signals from Zarya that showed all the connections made so far were working.

The shuttle crew spent the rest of Tuesday raising the orbit of the space station by a few miles and resting up for the spacewalk Wednesday, which will focus on installing 100-pound (45-kilogram) satellite communication antennas on Unity so that the outpost will not have to depend solely on Russian ground stations that communicate through Zarya.

EUROPE

Astra AB
And Zeneca
Hold Talks

Compiled by Our Staff From Reuters

LONDON — Astra AB, the third-largest British drugmaker, said Tuesday it was holding advanced merger talks with a Swedish rival, Astra AB. Zeneca said any transaction would be a merger of equals and decided to give terms. The two companies could reach an agreement as early as this week, people familiar with the negotiations said. Published reports valued the transaction at around \$30 billion. A combination of Zeneca and Astra would be one of the largest mergers ever in European markets and the drug industry.

Zeneca said it had made the announcement, which came after the close of the London market, in response to "recent speculation." Astra subsequently confirmed the merger talks, but neither company was immediately available for further comment.

Zeneca's shares closed at £25.50 (\$42.13) in London, up 131 pence. Astra's shares in Stockholm closed 4 kronor higher at 146 (\$17.88).

A combined Zeneca/Astra would have a market capitalization of some \$68 billion, based on Tuesday's closing prices.

Zeneca was formed by a "demerger" from Imperial Chemical Industries in 1993. It recently put its specialty chemicals business up for sale to focus on pharmaceuticals and agrochemicals.

"For them to effectively compete with the Mercks and Glaxos and Pfizer of the world, they have to get bigger," Hemant Shah, an independent drug-industry analyst, said of Zeneca and Astra.

News of the possible deal comes a week after Hoechst AG of Germany and Rhône-Poulenc SA of France said they would combine their drug and pesticide units to form the world's second-largest drugmaker and after Sanofi SA of France agreed to buy rival Synthelabo SA.

(Reuters, Bloomberg)

Russia Moves to Merge State Oil Companies

Bloomberg News

MOSCOW — The government is pressing ahead with plans to merge its last three state-owned oil producers, including RAO Rosneft, to create the fourth-largest oil company in Russia.

The government "is working on the idea" of merging Rosneft, the eighth-biggest oil producer, with AO Slavneft and ONAKO, said Vladimir Bulgak, deputy prime minister for fuel and energy.

The merger, aimed at cutting costs and improving efficiency, would enable the government to fulfill part of its plan to play a greater role in managing industries such as oil and gas production and engineering. It is a reversal of the policy of previous governments to increase revenue by selling state assets, though attempts to sell Rosneft and Slavneft this year failed.

Analysts said a successful reorganization was not guaranteed. "Russia has a record of not achieving desired cost cuts," said Stephen O'Sullivan, oil and gas analyst at United Financial Group. "It's not easy to lay off people and shut down loss-making units — especially for a state-owned company."

Fuel and Energy Minister Sergei Generalov first floated the idea of merging Rosneft, Slavneft and ONAKO at an international oil conference in South Africa in October. "In the midst of a slump of oil prices, our main concern is how to reduce production costs," Mr. Bulgak said. "There's a clear reason to create a bigger company. The bigger the company, the more fruit the cost-cutting efforts will bear."

The three companies and AO Zarubezhneft, a Russian state-owned oil trading and investment company, said Tuesday that they signed "a memorandum on cooperation and integration" last week.

The companies said they would "coordinate efforts" and "jointly participate in investment projects" in oil exploration, production, transportation, refining and trading. They stressed that the legal status and

ownership structure of the companies remained unchanged as yet.

Combined oil production of the three companies totals about 31.5 million tons (230 million barrels) per year, which would make the new company the fourth-largest in Russia, behind OAO Lukoil, AO Yukos and OAO Surgutneftegaz. The current fourth-largest company, AO Tatneft, produces 23 million tons per year.

In October, Rosneft reported an 80 percent plunge in pretax profit in the first nine months of this year as management turmoil compounded problems of plunging world crude oil markets.

Earlier this year, the government canceled the sale of 75 percent of Rosneft after three attempts to auction it failed to attract a single bid. It also planned to sell a 20 percent stake in Slavneft, but two attempts failed to attract bids.

"The companies have been managed in an extremely inefficient way," said Boris Sinegubko, oil and gas analyst at Brunswick Warburg.

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"The companies have been managed in an extremely inefficient way," said Boris Sinegubko, oil and gas analyst at Brunswick Warburg.

"The government may take one more chance."

Russia's Reserves Dwindle

Russia's hard currency reserves fell 8 percent last month, drained by debt payments and efforts to prop up the increasingly weak ruble. The Associated Press reported from Moscow, quoting officials.

The Central Bank's reserves, which stood at \$13.6 billion at the start of November, shrank to \$12.5 billion by the end of the month, the Interfax news agency reported, quoting a bank announcement.

Reserves have dropped by nearly 30 percent since the start of the year, the bank said.

Also Tuesday, the Finance Ministry said government revenues totaled \$10.8 billion for the first 10 months of the year, or 59 percent of target levels, according to Interfax.

The government's chronic inability to meet tax collection and revenue targets has been a serious stumbling block in its efforts to reform the economy.

Gulf Producers Opt to Keep Oil Flowing

The Associated Press

ABU DHABI — Gulf Arab oil ministers decided Tuesday not to cut oil production to shore up depressed world prices, Jamil Hojailan, the secretary-general of the Gulf Cooperation Council, was quoted as saying.

Mr. Hojailan denied any plans for a cut in an interview with a regional television network, the Middle East Broadcasting Corp.

Earlier, officials close to a three-day summit meeting of the six-nation council said the oil ministers had decided to cut oil production starting in March and to ask other producers in the Organization of Petroleum Exporting Countries to join them in the cuts.

The officials, who spoke on condition of anonymity, said the ministers also agreed to ask Mexico, which is not an OPEC member, to join in curtailing production.

The oil ministers are accompanying the six Gulf Cooperation Council leaders at the summit meeting in Abu Dhabi that opened Monday. The Gulf council group includes Saudi Arabia, Kuwait, Bahrain, Oman, Qatar and the United Arab Emirates. All except Oman and Bahrain are members of OPEC.

The decision by the Gulf oil min-

isters comes less than two weeks after OPEC ministers adjourned to test, year-end meeting in Vienna without agreeing on measures to halt the slide in oil prices.

Instead of agreeing to additional production cuts or to extend previously agreed cutbacks, the 11-nation cartel decided to review the situation in March.

Crude oil prices are hovering near historic lows. The price of benchmark Brent crude oil for January delivery traded at \$10.36 a barrel on Tuesday, up 10 cents from Monday, when the contract fell to \$9.92.

Gulf oil generally sells at a dollar or two less than North Sea Brent, which itself was selling for about \$20 last year.

The Gulf countries, which together sit on half the world's proven oil reserves and depend on exports for 75 percent of their revenues, have been hard hit by plummeting oil prices.

The officials said that pressure for a decision on production cutbacks came from Saudi Arabia, the world's largest oil exporter.

"The main source of our income has been greatly shaken by the imbalance of the oil market," Crown Prince Abdullah bin Abdulaziz of Saudi Arabia said Monday.

"Such an imbalance requires us

to exert our utmost efforts inside and outside OPEC," said Prince Abdullah, who is leading the Saudi delegation to the Gulf council in place of his ailing half-brother, King Fahd. He called for new and serious measures to restore market balance and "not hesitate to take further measures for the common interest."

Indonesia Threatens to Quit

Indonesia said Tuesday it might drop out of OPEC because of the group's inability to stick to promises to cut production, Bloomberg News reported from Jakarta.

Rachmat Sudibjo, head of oil and natural gas technology at the Ministry of Energy and Mines, told the Antara news agency that Indonesia was disappointed with the divisive nature of the group's most recent meeting.

Indonesia's decision is not likely to have a big impact on the oil supply.

"It would have little impact on prices," said Tony Alves, an analyst at Henderson Crosthwaite in London. "They produce as much as they consume, and are on the verge of becoming a net importer of oil."

Still, Indonesia's statement shows OPEC is "on shaky ground," Mr. Alves said.

End of Duty-Free To Cost 800 Jobs At Stena Line

Compiled by Our Staff From Reuters

STOCKHOLM — Stena Line AB said Tuesday it would cut 800 jobs at its Scandinavian operations over the next year in an effort to reduce costs because of the abolition of duty-free sales in Europe.

"This is regrettable but necessary" before the abolition of duty-free sales next year, said Bo Severed, chief executive officer of Stena Line. The action follows a number of measures already taken by the company to improve profitability.

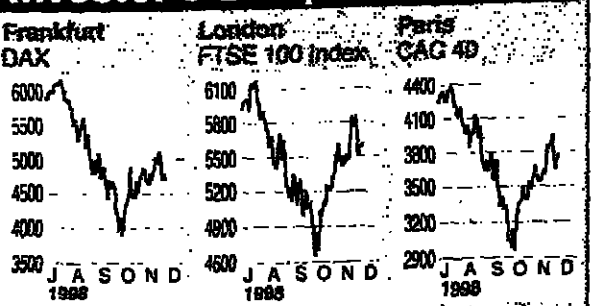
The move to reduce the work force by about 11 percent affects about 650 on-board personnel and 150 land-based employees, the company said.

Stena said the cuts would apply to routes between Gothenburg and Kiel, Germany, and from Gothenburg to Frederikshavn, Denmark.

Stena receives about a third of its income from duty-free sales, which will be banned July 1.

The company recently restructured its management and started rebuilding ships to handle more cargo.

Investor's Europe



Exchange	Index	Today's Close	Prev. Close	% Change
Amsterdam	AEX	1,098.35	1,078.64	+0.48
Brussels	BEI 30	3,282.79	3,278.95	+0.42
Frankfurt	DAX	4,689.34	4,718.56	-0.61
Copenhagen	Stock Market	585.83	580.07	+0.92
Helsinki	HEX General	5,148.57	5,157.69	-0.18
Oslo	OBX	486.00	472.00	+1.89
London	FTSE 100	5,615.78	5,576.70	+0.70
Madrid	Stock Exchange	Closed	830.03	
Milan	MISTEL	Closed	219.94	
Paris	CAC 40	3,795.41	3,771.22	+0.15
Stockholm	STX 15	3,594.65	3,592.91	+0.45
Vienna	ATX	Closed	1,189.83	
Zurich	SPI	4,389.24	4,388.54	+0.06

Source: Reuters

International Herald Tribune

Very briefly:

Global TeleSystems Group Inc., a U.S.-based company backed by the investor George Soros, agreed to buy Esprit Telecom Group PLC, based in England, for \$985 million, creating a network spanning 19 countries in Europe.

Mannesmann AG, one of the biggest competitors of Germany's former telephone monopoly Deutsche Telekom AG, plans to cut charges by as much as 54 percent as a price war in the country's \$59 billion phone market intensifies.

Saudi Arabia is expected to extend foreign participation in its oil and gas sectors to European as well as U.S. companies. According to Najib Abi-Aad, an adviser at Observatoire Méditerranéen de l'Énergie, British Petroleum Co., ENI Group, Royal Dutch/Shell, Elf Aquitaine SA and Total SA would be the most likely candidates to be invited to the discussions along with the U.S. companies Mobil Corp., Exxon Corp., Chevron Corp., Texaco Inc., Atlantic Richfield Co., Conoco Inc. and Phillips Petroleum Co.

Deutsche Bank AG of Germany plans to sell 1.3 billion euros (\$1.6 billion) of bonds that can be exchanged for shares in Allianz AG to help finance its planned acquisition of Bankers Trust Corp.

The Group of Seven's deputy finance ministers will meet Wednesday in Paris to discuss financial issues ahead of monetary union in Europe, Kyodo news agency reported. A major topic will be the restructuring of the foreign-exchange system before the introduction in January of the euro.

LucasVarity PLC's third-quarter net profit fell to £42 million (\$69.4 million) from £57 million as the British maker of automotive brakes was hit by a charge of £20 million, mostly related to a failed effort to move to the United States. Higher production of cars and trucks in Europe and North America offset some of the decline. Sales rose 5.3 percent.

Scottish & Newcastle PLC's half-year profit fell 4.5 percent to £214.5 million for the period ended Nov. 1 because of poor summer weather and the ending of a beer-supply deal.

AFP, Bloomberg, Reuters

WORLD STOCK MARKETS

Tuesday, Dec. 8

Daily prices in local currencies.

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Copenhagen

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Analysts Taking

The Associated Press

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INTERNATIONAL INVESTING

Investors Find Buying Drug Stocks Has No Side Effects

By Marthe Fourcade
Blumhertz News

PARIS — Can you remember a better time to buy drug shares? Many investors say they can't.

The cost pressures that prompted drugmakers last week to announce the two biggest European linkups since Ciba-Geigy AG and Sandoz AG formed Novartis AG in 1996 have not deterred, and investors said they were gearing up for a rash of mergers that may involve Astra AB of Sweden, Novo Nordisk AS of Denmark, Ge Schering AG of Germany and Zeneca Group PLC of Britain.

While that is a gamble, investors said it was a safe one because the prospect of slow economic growth suggested such investments would pay off anyway: Drug shares tend to be among the least sensitive to economic swings because, when times are hard, consumers cut back on nonessentials such as perfume and clothing rather than on medicine.

"Merger prospects add spice to what

was already a good investment," said Alan Day, a manager at Statevest Group in Burlington, Vermont.

As recession in Asia and parts of Eastern Europe and Latin America threatens to choke European economic growth, investors said, pharmaceuticals are a good way to cushion the blow.

"Drug stocks are a bit like an insurance policy," said John Hatherly, a manager at M&G Investment Management Ltd. "You can't afford to be out of them."

Signs that European growth is slowing prompted the European Union last month to cut its 1999 growth forecast for the 11 countries adopting the single currency to 2.6 percent from 3.2 percent. Consumer spending alone accounts for two-thirds of most European countries' gross domestic product.

But drugs are as recession-proof as a consumer product as there is. "I'd cut back on makeup and clothes, but I can't imagine a situation where I'd stop buying medicine," said Magali Etienne, a suburban Paris mother.

European governments are increasing the pressure on drugmakers to join forces, analysts said. As tax revenues fall along with company profits, most countries are also trying to cut deficits. Spending on health care — a mounting expense in developed countries — is one of the key areas where they seek to cut costs, by capping or lowering drug prices and looking to restrict government health programs.

The tie-ups announced last week are also bound to serve as a wake-up call for many other drugmakers that need to cut costs and bolster their drug pipelines to compete better in the \$242 billion industry, according to investors. Pressures to merge and the expectation of slowing economic growth prompted Olivier Leffevre, a manager at Monte Paschi Banque in Paris, to increase to 15 percent the proportion of his portfolio devoted to drugs from less than 10 percent before the summer.

Shares in Rhone-Poulenc SA and Hoechst AG, the biggest drugmakers in

France and Germany, had already climbed more than 30 percent in a month on merger speculation when the companies said last week they would join forces to create Europe's top drugmaker. Shares in the French drugmakers Sanofi SA and Synthelabo SA, which said the same week that they planned to combine to create the European industry's ninth-biggest company, had risen about 20 percent in the two months leading up to the accord.

Analysts pointed to three needs that may drive drugmakers to consider a merger or takeover: money, access to successful drugs and marketing reach.

Some are looking for a partner that can afford to pump money into research. A merger with Synthelabo would allow Sanofi, which has 21 compounds in clinical development, to benefit from its own research instead of looking for marketing partnerships to help shoulder the cost of product development, analysts said. Increasing research budgets also raise the chance that smaller companies

can compete with the heavyweights that emerged from an earlier wave of industry consolidation such as Novartis and Glaxo Wellcome PLC.

Others need to bolster their pipeline of existing drugs: Novo Nordisk, for example, is looking to reduce its reliance on treatments for diabetes — it is the world's largest maker of insulin, on which many diabetics rely. In September it had to abandon development of its osteoporosis drug levetemoxifen, which it had hoped would help widen its range of successful drugs, and now analysts say joining with another company may be the best way to do that.

Sometimes, even companies with the most popular products need outside help. Analysts said Astra needed to widen its range of drugs before the parent for its ulcer treatment Losec, the world's No. 1 prescription drug, expired in 2001.

Others seek a bigger marketing network to promote their products. Analysts said Schering, the world's largest maker of oral contraceptives, would benefit from a better reach in the United States, the most profitable market for drugs.

Some companies decide to combine because they are looking to solve all three problems at once, as analysts said was the case with Rhone-Poulenc and Hoechst.

While medium-sized drugmakers are the most likely merger candidates, analysts said they were not the only ones. "There is a group of larger companies that are edging gingerly down that route but can afford to wait until they find the right mate," said Robin Campbell, an analyst at Paribas Capital Markets in London.

Those include Glaxo Wellcome and SmithKline Beecham PLC, which held merger talks this year.

Investors said mergers in the drug industry tended to go down well with shareholders because companies could argue that they were in a business where profits were growing and that they could enhance their growth prospects by combining. Sanofi and Synthelabo, for example, were expected to report double-digit profit growth this year and next even before they said they would join forces.

"The oil mergers we've seen were mostly a cost-cutting exercise" to cushion a drop in earnings, said Plum Shipton, a European equity strategist at Merrill Lynch & Co., "whereas in pharmaceuticals, the emphasis is on faster growth."

Western Firms Look for Bad-Debt Bargains in Asia

HONG KONG — South Korea and Thailand plan to auction billions of dollars of bad loans and foreclosed real estate this month — and companies including Goldman Sachs & Co. and General Electric Co. are likely to try to snap up bargains.

The countries plan to auction as much as \$10.5 billion in assets, but analysts say the sale will not bring the revenue the sellers are hoping for.

"I think they'll be successful in terms of selling the assets," said David Roche, president of Independent Strategy Ltd., a London consultancy.

"But I think that in the case of Thailand in particular the percentage which they'll get — in other words, how much people pay compared to the original value of the loan — will be much lower than what people are expecting."

South Korea will auction as much as \$500 million of bad loans and real estate this week.

The success or failure of that sale will be closely watched, as bidders hope to

set a precedent of paying bargain-basement prices that they will be able to follow in Thailand next week and in Malaysia early next year.

Malaysia's Pengurusan Danaharta Nasional Bhd., a financial restructuring agency, has bought 1.06 billion ringgit

International investors spent more than \$1 billion buying private equity stakes in companies in the region during the first 10 months of the year, with about \$566 million of that committed between June and October, according to Asia Pacific Equity Bulletin, an industry

Foreign investors are starting to shun traditional stocks and bonds in favor of buying directly into a company or picking up distressed debt.

(\$278.5 million) of bad loans and may buy an additional 12.78 billion ringgit. Those assets are expected to go on sale early next year.

As recession-plagued countries across Asia court foreign investment, the investors, including companies such as Goldman and General Electric, are starting to shun traditional stocks and bonds in favor of buying directly into a company or picking up some of the countries' distressed debt.

newsletter.

South Korea has been the favorite place for private equity investments — buying large chunks of shares that are not publicly traded — attracting \$319 million.

Still, the more successful foreigners are at negotiating their purchases, the longer it will take countries to recoup the money they need to revive their shrinking economies and recapitalize hundreds of insolvent banks.

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December 8, 1998

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INTERNATIONAL INVESTING

Merger Morass: History of Big Takeovers Isn't a Pretty One for Investors

By Gretchen Morgenson
New York Times Service

NEW YORK — A year ago, the stock of U.S. Office Products Co. was a star. The company had just reported surging sales and earnings for the quarter. Its shares had more than quadrupled since going public two and a half years earlier.

It was a magnificent performance from a company selling the mundane: paper clips, note pads and swivel chairs. U.S. Office Products had wanted to be the leader in its field, so it had followed the lead of much bigger companies in industries as varied as retailing, banks or health care. It bought the competition.

Amid acclaim from investors, U.S. Office Products acquired hundreds of mom-and-pop office-supply stores; and in one year its sales rocketed to \$2.8 billion from \$702 million.

But being big has lost its luster at U.S. Office Products. Sales growth has slowed, and the company has just announced a quarterly loss of 11 cents a share. Its stock has tumbled almost to half its offering price.

In early trading Tuesday, the stock was at \$5.375, compared with its offering price of \$10 on Feb. 15, 1995.

In a month dominated by mergers of enormous banking and oil companies, not to mention the purchase by America Online Inc. of Netscape Communications Corp., the story of U.S. Office Products is a small but cautionary one. Even as the executives of Exxon Corp. and Mobil Corp., and those of Deutsche Bank AG and Bankers Trust Corp., contend that their marriages will create a "best of breed," the history of mergers is often not pretty for shareholders.

Although stocks of some acquirers may rise on the news of a combination, a variety of studies show that over the longer term — one year or more — most mergers result in stocks that trail those of other companies in their industry. Many mergers result in actual losses for shareholders.

Furthermore, the odds of shares underperforming in current mergers are almost certain to increase going forward, given today's sky-high stock prices.

When the price of premiums to the acquired company's shareholders and the costs of integrating two companies are added, such lofty prices make it almost impossible for these deals to

bring benefits to shareholders.

"In some individual mergers, it could be that size is helpful in meeting world market demand," said Richard Sylla, professor of economics and financial history at New York University's Stern School of Business. "But a lot of history shows us that bigger isn't necessarily better."

The merger wave is particularly risky to shareholders because many deals are not only about what they can deliver to the customers or the shareholders but also about what they provide, directly and indirectly, to top management.

That is because the deals often help executives keep their companies' stock prices high — at least initially — by increasing revenues, essentially making the companies grow faster than they could have done on their own, some analysts and academics contend. Among more aggressive managements, acquisitions allow them to perform accounting that helps make their financial statements appear sounder than they actually are.

That does not mean, of course, that a number of mergers are not driven by necessity. In a world awash with cheap oil, for example, combining Exxon and Mobil to cut costs makes sense to many analysts.

Outside the oil patch, many of today's corporate combinations are necessitated by too much competition. Too many goods produced by nations around the world that are embracing capitalism for the first time means that an increasing number of established companies are finding it hard to raise sales or profit margins.

The solution has been to get bigger, even if it means joining forces with a company that used to be a competitor.

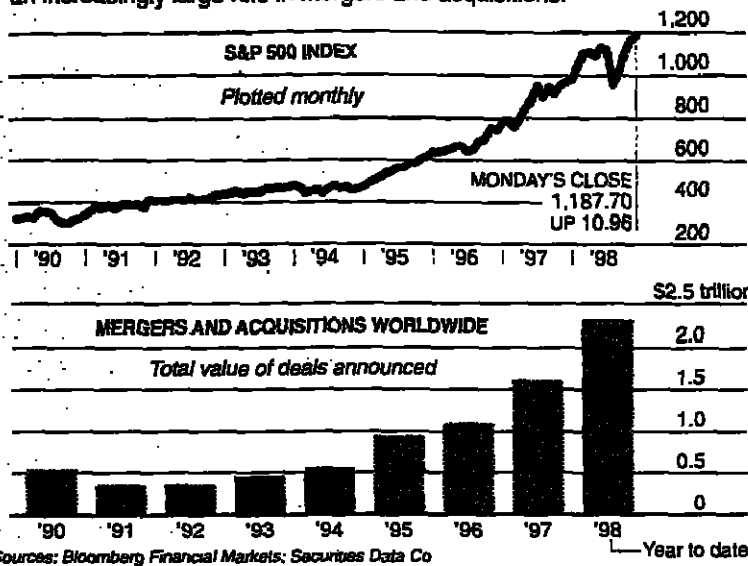
To the degree that mergers reduce excess capacity, they do provide a benefit. But since these combinations also usually involve huge layoffs, these benefits do not come cheaply.

These forces have made 1998 a banner year for mergers. So far this year, 23,296 deals have been announced or completed worldwide for a total value of \$2.31 trillion, breaking last year's record of \$1.6 trillion of deals. In 1994, there were 19,166 deals with a value of \$560.3 billion, according to Securities Data Co.

This growing appetite for deals has been whetted by the stock market.

Monopoly Money?

Rising stock prices, and the rewards those stock prices deliver, play an increasingly large role in mergers and acquisitions.



Sources: Bloomberg Financial Markets; Securities Data Co.

Chief executives' obsessions with ever-rising stock prices, and the rewards those stock prices deliver, play an increasingly large role in merger mania today, some academics say.

High-priced stocks make mergers easier than ever. For chief executives faced with slowing internal sales growth, an easy solution is to bolster revenue by buying another company.

About 70 percent of the value of mergers and acquisitions today is paid for with stock, according to Mark Sirower, professor of mergers and acquisitions at the Stern School of Business.

Ten years ago, by contrast, 90 percent of such transactions were all-cash deals.

Proof that increased stock prices drive merger activity can also be seen in the value of deals done in September, when the stock market was falling: a mere \$51 billion, down from about \$200 billion a month in the spring.

As merger decisions become driven in part by higher stock prices, it is almost certain that more combinations will fail. For shareholders, that is bad news, given that most mergers of the recent past are

already producing dismal returns.

In a study of 100 large deals completed between 1994 and 1997, Mr. Sirower found that two-thirds resulted in immediate and outright losses to shareholders and that the resulting companies wound up underperforming their industry peers over the long haul.

That trend is almost identical to one found in a similar study Mr. Sirower did in the 1980s. Even during a bull market, mergers can undermine stock values. A recent study by Mitchell Madison, a consulting firm, found that from 1993 to 1998, a period of great gains for the market overall, stocks of merged banks underperformed their peers 82 percent of the time.

Such rates of failure are likely to increase in the future because the high prices of most stocks make it even more difficult for executives running the huge combinations to make them succeed.

"Today, acquisitions require more discipline than ever before because of the overall market value of the firms," Mr. Sirower said. "We're looking at companies now that are so highly val-

ued on their own that they already have to run very hard just to stay in place."

Even with price/earnings ratios on many big-capitalization stocks at dizzying heights, investors are clearly expecting great improvements from these companies in the future. Add a takeover premium to these prices, and you get expectations that even the most brilliant manager could not hope to meet.

History also has an ominous lesson for shareholders involved in today's megamergers: In the past, the larger the target was, the lower the return to the buyer generally was.

"If you overpay for a company that is equal to 1 percent of your overall revenues, whether you overpaid is not going to have a big impact on shareholders," said Eli Ofek, professor of finance at the Stern School. "But if you overpay in an Exxon-Mobil case, it will have a huge impact."

Most acquisitions fail, academics say, because the post-merger company's business cannot support the price paid to forge the combination.

Consider two cases from 1994. One was Novell Inc.'s \$1.4 billion purchase of a rival software producer, WordPerfect. Less than two years later, Novell sold the company for \$200 million to another software maker. Also in 1994, Quaker Oats Co. bought Snapple, a beverage manufacturer, for \$1.7 billion. Three years later, Quaker sold its acquisition for \$300 million.

One reason that stocks of the acquirer may underperform is that investors realize sheer size by no means translates into higher profits.

Take the drug industry, one that the United States dominates. Three of the biggest drug sellers — Merck & Co., Bristol-Myers Squibb Co. and Johnson & Johnson — have had earnings growth below the 16 percent average growth for the group. The two hottest players at the moment are smaller: Schering-Plough Corp., with earnings growth of 22 percent so far this year, and Warner-Lambert Co., with 41 percent growth.

Size also has a habit of thwarting innovation. Consider the great innovations that have transformed the telecommunications industry since the breakup of AT&T Corp. in 1982.

But despite the potential burdens of high-priced acquisitions, they do at first provide another way for executives to

keep their stock prices high — through aggressive accounting tactics that make their financial statements appear to be stronger than they actually are.

"Mergers give companies an opportunity to take very sizable write-offs, creating a camouflage to clean up a lot of things on the balance sheet," said Howard Schilit, president of the Center for Financial Research and Analysis in Rockville, Maryland. "Does that drive the acquisition? Probably not, but it doesn't hurt."

Taking sizable write-offs today can make earnings look rosier tomorrow. And some companies use huge restructuring charges that typically accompany mergers as a place to dump regular business expenses, increasing earnings in the process. Because earnings drive stock prices, big write-offs and expense-reduction tricks can be valuable in the short term.

Acquisitions also can bolster a stock another way, at least temporarily. The bigger a company's market value is — the stock price multiplied by the number of shares outstanding — the more likely it is to attract institutional investors. Their huge and growing pools of capital — pension funds, mutual funds and hedge funds — need places they can go to generate returns.

If a company has billions of dollars in market value, it means getting in and out of the investment is relatively easy for large investors — and ease of entry and exit is increasingly crucial to these investors.

The influx of money, then, gives the stock a boost. But big institutional investors can be fickle, and such money can flee the merged company when earnings growth appears to slow.

For the executives in a company being acquired, a merger can mean enormous instant wealth. For example, Lucio Noto, the chairman of Mobil, stands to collect at least \$6 million just by leaving if a sale to Exxon goes through and the board approves his "golden parachute" pay package. A company spokesman has said that Mr. Noto's deal to sell Mobil to Exxon was "in the best interests of the company."

But chief executives of the merged companies can also reap a rich reward from an acquisition, because their compensation is typically tied to earnings growth or the performance of the stock.

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WORLD ROUNDUP

Paris Joins Bidders
For 2008 Olympics

OLYMPICS President Jacques Chirac of France has phoned the International Olympic Committee's president, Juan Antonio Samaranch, to confirm Paris's bid to stage the 2008 Summer Olympic Games, the French Olympic Committee said Tuesday.

Paris is the latest in a long list of cities to announce their candidacy. Others include Beijing, Toronto, Kuala Lumpur, Buenos Aires, Istanbul, Osaka and Seville, Spain. Cairo is also weighing a possible bid.

China is considered the early favorite. Beijing, which lost narrowly to Sydney in the race for the 2000 Games, announced a bid last week. The IOC will open formal bidding in 1999 and select the 2008 host in Moscow in 2001. (AP)

DiMaggio Rallies Again

BASEBALL Joe DiMaggio's condition improved dramatically overnight, with his fever gone and his lungs clearing, his doctor said Tuesday.

"He's remarkably better," Dr. Earl Barron said. "Don't ask me how or why."

On Monday, Dr. Barron said that DiMaggio had suffered "a significant and serious turn for the worse" during the weekend in his battle back from lung-cancer surgery and that the 84-year-old Hall of Famer was "not in good shape."

Doctors inserted a tube into DiMaggio's trachea on Monday to suction out the infected material. "He perked up immediately," Dr. Barron said. "His white blood count is down, and the fever was gone last evening. We've been able to lighten up a bit on his medication. He is significantly better."

DiMaggio has been hospitalized in Hollywood, Florida, since Oct. 12, with Dr. Barron heading a team of physicians treating him. DiMaggio underwent surgery to remove a tumor from a lung on Oct. 14. (AP)

Rangers Drub the Leafs

HOCKEY Goaltender Mike Richter and the Rangers continued their turnaround after a slow start to the season, beating the Toronto Maple Leafs, 6-2, at Madison Square Garden in New York.

Richter made 24 saves Monday night as he extended his personal unbeaten streak and the Rangers' team streak to six (5-0-1).

In another NHL contest, Mike Modano, Brian Skrudland and Sergei Zubov scored in the second period as the Dallas Stars defeated the host Calgary Flames, 3-2. (AP)

Uncertainty Reigns
In Champions League

Drug Probe Clouds Outlook for Italian Teams

By Rob Hughes
International Herald Tribune

MANCHESTER — It is the most sinister backdrop imaginable: an Italian magistrate is demanding the medical records of 43 professional players who suffered "suspect deaths" in the prime of life from such causes as stomach tumors, leukemia, heart failure and muscular degeneration. Judge Raffaele Guarino's grim

VANTAGE POINT

task is to seek or eliminate connections between those deaths and accusations of a drug culture in soccer.

His work may or may not relate to the fact that, for the first time in eight seasons, Italy may not have a team capable of reaching the final of the UEFA Champions League. Juventus needs a minor miracle to progress to the quarterfinal round on Wednesday. Internazionale di Milano has a better chance, but is in utter turmoil on and off the pitch.

If both clubs fall — if Italy's seven-year domination is over — the intrusion of drug allegations will take some blame. So will the World Cup, which distracts all major clubs because their players return tired, emotionally spent, and distracted.

Just look across the Continent for the ramifications of a World Cup year. Not one club is omnipotent; not one has struck a rhythm of convincing form.

Real Madrid, the defending champion, has the class, as last week's victory over Vasco da Gama in Tokyo reminded us. Yet Madrid is erratic at home and abroad and by no means a sure bet to beat Spartak Moscow.

Internazionale, which beat Madrid, 3-1, two weeks ago and then sacked its coach, Gigi Simoni, is a squad in disharmony. So much so that Fabio West, its big Nigerian defender, angrily tossed his shirt at the new coach, Mircea Lucescu, after being substituted on Sunday.

Ronaldinho, one of those mentioned whenever the cocaine drug-debate is heard, continues to look morose and far from fit. Roberto Baggio likewise.

One can imagine inter beating Sturm Graz in Austria on Wednesday, yet in inner strife, the suspicion that Mircea has been handed a poisoned chalice, makes nothing certain.

Manchester United and Bayern Munich, contesting the last match of their group in Manchester on Wednesday, are capable of taking advantage in a year racked with doubt. But United, which probably has to win to reach the quarterfinals, has a fully fit squad coupled with an element of broken faith just when togetherness is imperative.

Less than a week ago, Martin Edwards, United's chief executive, al-

lowed Brian Kidd to leave the club. The last time Manchester won the European Cup, in 1968, Kidd was a player, age 19. He has been the No. 2 in team management for the past eight years. But when an offer came from Blackburn Rovers to double his salary, the pleas of United's team manager, Alex Ferguson, to keep his right-hand man were lost.

Ferguson and Kidd operated a familiar tandem at the club level. Ferguson was the boss, the man who bore ultimate responsibility, who counted on popularity when he had to drop a player. Kidd was the nice guy, the players' coach, the friend, the man who lifted morale when Ferguson (sometimes of necessity) injured egos. In time, the manager will replace his second-in-command in that role, but Wednesday isn't the time.

Nevertheless, United has the opportunity, because of Europe's distracted season, to break the drought that has afflicted English clubs in the big European league for 15 years. In 1984, Liverpool won the European Cup in Rome; in 1985, Liverpool's fighting fans caused a riot that killed 39 Juventus supporters and effectively finished an era of English domination.

Today, with forwards who are fervent but a defense that is vulnerable, United has quality that could go all the way in Europe. Or it could go out on Wednesday against a Munich team that is old but organized and predatory on the counterattack.

With all the uncertainty, might this be a year for a team from behind the erswirl Iron Curtain to capture the prize? Dynamo Kiev has the technical qualities, the speed and discipline to go far. But it first has to win, or avoid defeat, in Lens, home of the French champions. Kiev should prevail.

Traditionally, the Kiev club gets this far and sells off its marketable assets. Why it swears that Andrei Shevchenko and Sergei Rebrov, the goal twins, are not for sale, it has agreed to a \$6.4 million deal to trade Oleksandr Holovko, its dynamic and strong defender, to Liverpool after Wednesday's game.

By then, across the six groups, teams will have given their all to reach the quarterfinals. Some big clubs — indeed some of the self-selected elite pushing UEFA to abandon the concept of fair competition — will have been eliminated.

They refuse to recognize, these greedy clubs, that competition is not what you were in the past but what you achieve in the present. Their demands for guaranteed profits will be partially granted Thursday. By then, some of the mighty will have fallen. Weep not for them.

Rob Hughes is chief sportswriter for The Times of London.



Artur Numan of Glasgow Rangers, left, chasing down Diego Fuser of Parma during the teams' third-round, second-leg UEFA Cup match.

Lyon Slips Past Bruges

By Peter Berlin
International Herald Tribune

BRUGES, Belgium — Alain Cavaglia scored three times Tuesday night as Olympique Lyon survived a frenzied second half to eliminate Club Brugge and reach the last eight of the UEFA Cup.

Lyon, having taken the first leg at home by one goal, won, 4-3, on Tuesday to advance by 5-3 on aggregate.

In a match between two fluid, neat-passing teams, Lyon always threatened on counterattacks. On one such break,

second goal with a header in the 69th minute.

Two minutes later, Lyon's Steed Malbranque, an 18-year-old who was born in Belgium, broke away down the right side and cut into the Bruges penalty area. His control did not match his ambition, but the ball broke to Cavaglia, sauntering in unmarked. He scored easily.

Bruges, on its next attack, scored again. Darko Anic snaked a free kick round the Lyon defensive wall and into the net.

Bruges still needed two goals to advance, and it started throwing players into attack. But before its fans had time to stop hyperventilating, their team was punished. Lyon again broke down the right and, this time its accomplished playmaker, Vikash Dhorasoo, cut inside and carefully rolled his shot into the corner of the Bruges goal.

Belgian soccer has fallen in recent seasons. This was second time that Bruges, a Champions Cup finalist in 1978, was eliminated in a European cup this season. It lost in Trondheim in the qualifying round of the Champions League and was the last Belgian team left in European competitions this year.

It seems certain that the club will lose its greatest asset, Coach Eric Gerets, to PSV Eindhoven of the Netherlands after this season.

The Associated Press reported: Parma 3, Glasgow Rangers 1. Parma qualified for the UEFA Cup quarterfinals, rallying to a 3-1 victory from a 0-1 first-half deficit, against visiting Glasgow Rangers in their third-round second-leg match.

The Italian team preserved a four-year unbeaten home streak in European cup games on second-half goals by Abel Balbo, Stefano Fiore and Enrico Chiesa.

Parma advanced on a 4-2 aggregate score after a 1-1 draw in the first leg at Glasgow.

The German midfielder Jorg Albrecht put the Scottish team ahead in the 28th minute with a powerful diagonal drive from the penalty area edge. He had intercepted an erratic pass by the Argentine defender Nestor Senzani, rushed through the wide-open Parma defense, and sent the ball past Gianluigi Buffon.

Parma's second-half rally was made easier by the expulsion of Rangers' Italian defender, Sergio Porrini, in the 45th minute, which forced the visitors to play one man down in the second half.

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NBA Cancels
All-Star Game;
Players Plan
Charity Event

The Associated Press

NEW YORK — In yet another sign that the American pro season may never begin, the National Basketball Association on Tuesday canceled its annual All-Star Game.

Mayor Edward Rendell of Philadelphia, where the game was to be played, said that Commissioner David Stern telephoned him with the news and was to make the announcement later Tuesday at a news conference in New York. The game had been scheduled for Feb. 14.

"That's the only landmark left," the NBA deputy commissioner, Russ Granik, told USA Today. "I hope the players haven't been convinced that the owners would never cancel the whole season."

A league source, speaking on the condition of anonymity, said the NBA was negotiating with Philadelphia to soften the impact on hotels, which blocked off \$3 million in rooms for the weekend.

Meanwhile, the player agents David Falk and Arn Tellem announced Monday that an exhibition game involving locked-out NBA players was set for Dec. 19 in Atlantic City, New Jersey, with the proceeds going to charity and to players in financial need.

Falk's most famous client, Michael Jordan, won't be playing.

"Michael has said he won't make a decision about returning to professional basketball or retiring until the lockout is over," said Curtis Polk, president of Falk's sports management company.

"We did talk to Michael about the game, obviously, and Michael feels he needs to stand by his earlier statement that he'll wait for a resolution of the lockout before he makes that decision. He wouldn't want to send the fans a sort of mixed message by his participation in this game."

Jordan's absence didn't stop the Atlantic City organizers from pricing their game extravagantly. Tickets will cost from \$25 to \$1,000 for courtside seats, and organizers hope to raise at least \$1 million.

None of the players will be paid, and no criteria have been established for determining which players will share in the proceeds.

"If you look at people who play professional sports, not a lot of them are financially secure," said Patrick Ewing, president of the NBA players' union.

"They make a lot of money, and they also spend a lot of money."

"Me, I'm financially secure, but there are a lot of others who aren't. Our objective is to help these people. No matter how much money they've made throughout their careers, if they're in need now, then it's up to us to try and help them," Ewing said.

Thirteen players are committed to play, and organizers hope to have a total of 16 players who were members of the four dream teams — the 1992 and 1996 Olympic teams and the 1994 and 1998 World Championship teams.

Those who have committed to playing in the game are: Ewing, Karl Malone, Penny Hardaway, Tim Hardaway, Allan Houston, Reggie Miller, Alonzo Mourning, Tom Gugliotta, Gary Payton, Dominique Wilkins, Vin Baker, Glen Rice and Mitch Richmond.

Mourning said the players were not asking for the fans' sympathy and added that few people realized how many financial obligations players have. The lockout, now 23 weeks old, has caused the first two months of the season to be scrapped. No new negotiations are planned.

BALTIMORE — Agreed to terms with OFM on a 2-year contract and with 22.5 million dollars of OFM's 2000 season contract. Named Terry McQuinn, director of scouting and Bob Schaefer, major league scout.

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China Sustains Lead in Gold, Adding a Weight-Lifting Record

The Associated Press

BANGKOK — China blitzed into the Asian Games gold medal lead on Tuesday with another weight-lifting world record, a lengthened winning streak in gymnastics and a diving sweep.

For the second consecutive day, a Chinese woman broke a weight-lifting world record. On her way to the gold in the 53-kilogram division, Yang Xia jerked 120.0 kilograms (264 pounds), breaking the mark of 117.5 set by Wang Xiufen of China last month, and lifted a

total of 212.5, also eclipsing a mark set by Wang — 210.0.

Le Maosheng of China won gold in the men's 62-kilogram weight-lifting division.

The Chinese victory in women's team gymnastics gave that nation its seventh consecutive sweep of both the men's and women's team events at the Asian Games. Japan captured silver, and Kazakhstan won bronze, edging Uzbekistan by less than half a point.

The only competition for the Chinese divers Tiang Liang and Guo

Jingting came from teammates. Tiang pulled away from Huang Qiang late in the men's platform diving.

ASIAN GAMES

He had a perfect 10 from one of the seven judges on the ninth of his 10 dives.

Guo pulled steadily ahead of Yang Lan, although the crowd did not share in her triumph as the scoreboard at the end erroneously showed the bronze medalist, Irina Vyguzova of Kazakhstan, in first place.

There was nary a Chinese gold in the swimming pool, however. Japan, swamped in the 1994 Games by a drug-tainted Chinese squad, won four of the night's races and Taiwan took one.

South Korea won three golds — one in the debut Asian Games sport of seven-man rugby, where it beat archrival Japan, 29-14, in the final, and two in its native combat sport of taekwondo.

After two full days of medal competition, China led with 13 golds, Japan had 12 and South Korea eight.

SCOREBOARD

GAMES

ASIAN GAMES

TUESDAY IN BANGKOK, THAILAND

CYCLING

MOUNTAIN BIKE CROSS-COUNTRY

1. Mo Yaping, China, 2 hours, 7 minutes, 28 seconds; 2. Kanako Kadoyoshi, Japan, 2:11:45; 3. Cao Shengchun, China, 2:17:34.

WOMEN

1. Aishu Udagawa, Japan, 2 hours, 5 minutes, 7 seconds; 2. Suna Jitsumaru, Thailand, 2:12:05; 3. Li Yanyan, China, 2:18:11.

SWIMMING

WOMEN'S 100-METER FREESTYLE

1. Ding Aiqun, China, 1:04.4; 2. Cao Yanyan, China, 1:04.4; 3. Ren Jie, China, 1:04.4.

WOMEN'S 200-METER FREESTYLE

1. Ding Aiqun, China, 2:18.1; 2. Cao Yanyan, China, 2:18.1; 3. Ren Jie, China, 2:18.1.

WOMEN'S 400-METER FREESTYLE

1. Ding Aiqun, China, 4:42.1; 2. Cao Yanyan, China, 4:42.1; 3. Ren Jie, China, 4:42.1.

WOMEN'S 800-METER FREESTYLE

1. Ding Aiqun, China, 9:54.1; 2. Cao Yanyan, China, 9:54.1; 3. Ren Jie, China, 9:54.1.

WOMEN'S 1,600-METER FREESTYLE

1. Ding Aiqun, China, 19:54.1; 2. Cao Yanyan, China, 19:54.1; 3. Ren Jie, China, 19:54.1.

WOMEN'S 3,200-METER FREESTYLE

1. Ding Aiqun, China, 39:54.1; 2. Cao Yanyan, China, 39:54.1; 3. Ren Jie, China, 39:54.1.

WOMEN'S 6,400-METER FREESTYLE

1. Ding Aiqun, China, 79:54.1; 2. Cao Yanyan, China, 79:54.1; 3. Ren Jie, China, 79:54.1.

WOMEN'S 12,800-METER FREESTYLE

1. Ding Aiqun, China, 159:54.1; 2. Cao Yanyan, China, 159:54.1; 3. Ren Jie, China, 159:54.1.

WOMEN'S 25,600-METER FREESTYLE

1. Ding Aiqun, China, 319:54.1; 2. Cao Yanyan, China, 319:54.1; 3. Ren Jie, China, 319:54.1.

WOMEN'S 50-METER BUTTERFLY

1. Tang Shu, China, 2 minutes, 41.19 seconds; 2. Qiu Qian, China, 2:41.76; 3. Sachiko Yamada, Japan, 2:53.14.

WOMEN'S 100-METER BUTTERFLY

1. Tang Shu, China, 5:28.44; 2. Qiu Qian, China, 5:28.44; 3. Sachiko Yamada, Japan, 5:40.29.

WOMEN'S 200-METER BUTTERFLY

1. Tang Shu, China, 11:00.14; 2. Qiu Qian, China, 11:00.14; 3. Sachiko Yamada, Japan, 11:12.05.

WOMEN'S 400-METER BUTTERFLY

1. Tang Shu, China, 22:00.14; 2. Qiu Qian, China, 22:00.14; 3. Sachiko Yamada, Japan, 22:12.05.

WOMEN'S 800-METER BUTTERFLY

1. Tang Shu, China, 44:00.14; 2. Qiu Qian, China, 44:00.14; 3. Sachiko Yamada, Japan, 44:12.05.

WOMEN'S 1,600-METER BUTTERFLY

1. Tang Shu, China, 88:00.14; 2. Qiu Qian, China, 88:00.14; 3. Sachiko Yamada, Japan, 88:12.05.

WOMEN'S 3,200-METER BUTTERFLY

1. Tang Shu, China, 176:00.14; 2. Qiu Qian, China, 176:00.14; 3. Sachiko Yamada, Japan, 176:12.05.

WOMEN'S 6,400-METER BUTTERFLY

1. Tang Shu, China, 352:00.14; 2. Qiu Qian, China, 352:00.14; 3. Sachiko Yamada, Japan, 352:12.05.

WOMEN'S 12,800-METER BUTTERFLY

1. Tang Shu, China, 704:00.14; 2. Qiu Qian, China, 704:00.14; 3. Sachiko Yamada, Japan, 704:12.05.

WOMEN'S 25,600-METER BUTTERFLY

1. Tang Shu, China, 1408:00.14; 2. Qiu Qian, China, 1408:00.14; 3. Sachiko Yamada, Japan, 1408:12.05.

WOMEN'S 50-METER BACKSTROKE

1. Tang Shu, China, 1:04.4; 2. Cao Yanyan, China, 1:04.4; 3. Ren Jie, China, 1:04.4.

WOMEN'S 100-METER BACKSTROKE

1. Tang Shu, China, 2:08.8; 2. Cao Yanyan, China, 2:08.8; 3. Ren Jie, China, 2:08.8.

WOMEN'S 200-METER BACKSTROKE

1. Tang Shu, China, 4:17.6; 2. Cao Yanyan, China, 4:17.6; 3. Ren Jie, China, 4:17.6.

WOMEN'S 400-METER BACKSTROKE

1. Tang Shu, China, 8:35.2; 2. Cao Yanyan, China, 8:35.2; 3. Ren Jie, China, 8:35.2.

WOMEN'S 800-METER FREESTYLE

1. Ding Aiqun, China, 9:54.1; 2. Cao Yanyan, China, 9:54.1; 3. Ren Jie, China, 9:54.1.

WOMEN'S 1,600-METER FREESTYLE

1. Ding Aiqun, China, 19:54.1; 2. Cao Yanyan, China, 19:54.1;

SPORTS

For a Change, Tampa Fails Favre to Win Battle of Bays

The Associated Press

TAMPA, Florida — Warren Sapp sat at his locker, spitting tobacco juice onto a towel at his feet and savoring the taste of a victory over the Green Bay Packers.

Sapp, a defensive tackle, and his Tampa Bay teammates had sacked Brett Favre eight times and bagged a 24-22 victory, their first over Green Bay since 1995. The victory bolstered the Buccaneers' wild-card playoff chances and thrilled a sellout crowd attending the first Monday night game at Tampa in 15 years.

"This town has waited a long time for us to take Green Bay down," Sapp said. "It's even more special, that the whole country got to watch it."

The Packers had won six straight in the Battle of the Bays, usually because Favre outplayed Trent Dilfer. But this time Dilfer threw for two touchdowns and ran for another while Favre was harassed into six fumbles.

Although the Packers recovered five of the loose balls, the scrambles typified their performance. Injury-riddled Green Bay fell behind, 14-3, early and spent the rest of the night trying to catch up.

"After playing these guys six times, we were beginning to think we were never going to win," said the Bucs' coach, Tony Dungy. "The difference was that we got ahead. In the past they got ahead early and controlled the game."

With three games left, Tampa Bay (6-7) climbed into a three-way tie with Arizona and New Orleans in the race for the final NFC wild-card spot. The Cardinals and the Saints hold the tiebreaker edge over the Bucs, who play Pittsburgh on Sunday.

"Our backs were against the wall," Dungy said. "They're still against the wall."

The game was less critical to the Packers (8-5), the two-time defending NFC champion, although they missed a chance to clinch a wild-card berth.

"Oh, we're definitely going to make the playoffs," the Packers' running back Dorsey Levens said. "We're going to win the next three games."

They'll have to do it unharmed. Plagued by injuries all year, the Packers lost their center, Frank Winters, to a broken leg, while the receiver Robert Brooks reigned his hamstring.

"The injuries are unbelievable," Favre said. "We're losing guys right and left. We did a great job with who we had."

Green Bay outgained the Bucs rushing and passing, but spent too much time going backward.



The Packers' Brett Favre, No. 4, fumbling as he was tackled by the Buccaneers' Brad Culpepper. Warren Sapp, No. 99, backed up the play.

Support for Hartford Stadium

Just over half of the Connecticut residents surveyed favor a plan by Governor John Rowland to build a stadium to lure the New England Patriots to Hartford, The Associated Press reported.

Brad Culpepper and Regan Upshaw had two sacks apiece. Jeff Gooch and Ronde Barber each forced two fumbles.

"We had to mount a pass rush that was unbelievable," Sapp said. "We got to Favre early, and he was uneasy in the pocket."

Favre's record against the Bucs is now 13-2. Dilfer, meanwhile, beat the Packers for just the second time in nine starts.

He had plenty of help. Jacques Green and Bert Emanuel turned short passes into long touchdowns for an early lead.

The patterns were similar: quick slants on third-and-short with the receiver breaking into the clear. Green's score covered 64 yards, Emanuel's 62 yards.

"They get 14 points on two big plays," Holmgren said. "That's the way we've beaten them before."

The Packers closed within two points with 2:20 left, but Sapp and Culpepper sacked Favre at the Green Bay 38 on the final play, and the frenzied crowd of 65,497 gave one last cheer.

"There was a lot of excitement in the city all week, and our guys sensed that," Dungy said.

"We needed it to prove we could play with playoff teams and show what we can do when we're hitting on all cylinders."

But pollsters also found that many people thought the proposal gave too much to the Patriots' owner, Robert Kraft.

Forty-nine percent of those polled said the deal was too generous, while 31 percent disagreed and 20 percent were undecided.

"People believe the stadium will benefit Hartford's image and economy," said the poll director, Douglas Schwarz, on Tuesday. "The bad news is that the public thinks the deal is too generous to the Patriots and most residents doubt the stadium will pay for itself."

Governor Rowland has suggested using taxes on tickets and team salaries to cover most of the cost of the stadium. The phone poll found that 55 percent of those surveyed were not very confident or not confident at all that the governor's proposal would cover the costs.

Bad Call Brings an NFL Replay Vote

By Richard Sandomir

New York Times Service

NEW YORK — The National Football League said it would ask team owners to vote on using instant replays in the postseason playoffs and the Super Bowl, a move that came barely 24 hours after an official ruled incorrectly that the New York Jets' Vinny Testaverde had scored the game-winning touchdown against the Seattle Seahawks with 20 seconds to go.

The system would permit a coach to challenge officials' decisions twice per game and would probably also allow referees to review a disputed play in the last two minutes of a game if a coach had already used up his quota of challenges.

Such a system would have enabled Seattle's coach, Dennis Erickson, to challenge the ruling by Earnie Frantz, the head linesman at the Seahawks-Jets game Sunday, that Testaverde had scored on a quarterback sneak. The television replay definitively showed that the ball did not cross the goal line.

"Everyone's greatest fear is what happened yesterday happening in the Super Bowl," Greg Aiello, a league spokesman, said Monday. He added, "We acknowledge today again that Testaverde hadn't scored."

Changes in the rules governing games are generally adopted between seasons, so the league's decision to call for an adjustment during the season reflected the seriousness of the situation and the league's acknowledgment that being compromised.

Similar proposals to bring back the instant replay have failed with owners before the past two seasons, falling short of the required 23 votes. Now, with a 31st team, the Cleveland Browns, in the league, the proposal will need 24 votes to pass.

The league has not set a date for the vote but intends to spend the next few

days framing the proposal. The issue, as it has before, seems certain to generate intense debate over the imposition of technology on human judgment and the added burden on coaches to manage replay challenges as they do time-outs — and in this case, to do it for the first time under the pressures of postseason championship play.

Aiello said the league had canvassed the nine teams that voted against the instant replay in March and said several of those had expressed "a desire to vote for it for the postseason, as an insurance policy."

Commissioner Paul Tagliabue and his senior staff met for several hours to discuss the proposal, amid intense pressure from aggrieved teams, the news media and fans to bring back some form of instant replay. It was in effect from 1986 to 1991.

One vote that Tagliabue can count on will come from Ralph Wilson, the Buffalo Bills' owner who voted against the use of instant replay in March. "Anything is better than we have now," Wilson said. "Jeez, I'll vote for somebody spotting the calls going over the field from a blimp."

Wilson raged at the league last week for "awful" officiating in the Bills' loss to New England on Nov. 29.

The other teams that voted against instant replay in March were Arizona, Chicago, Cincinnati, Kansas City, the New York Giants, Oakland, San Diego and Tampa Bay.

The Jets voted for replay in March, a reversal of a previous position. How the Jets will vote on the new proposal remains to be seen. Coach Bill Parcells said Monday, "I don't want the old system back. I don't want coaches' challenges. I only want the calls right."

Bob Moore, a spokesman for Kansas City, said that the Chiefs' coach, Marty Schottenheimer, opposed the challenge system "because it puts coaches in the official business."

Jack Brennan, a Bengals' spokesman, said Mike Brown, the team owner, felt too much time was spent on replay in its earlier incarnation without much of a result — "and sometimes it wasn't even right."

Carmen Policy, the Browns' president and a longtime advocate of instant replay when he was the 49ers' president, said he would vote for the plan. But he added, "What concerns me is, it might not be staged as positively as if it had more time. I hope this doesn't hurt it going into effect next season."

He said the past two weeks of criticism of league officiating, which began with a botched coin toss at the Pittsburgh-Deerfield game on Nov. 26, had turned the tide of league thinking toward trying to bring instant replay back.

"Even if we didn't have instant replay for the playoffs, I think the chances of voting it in in March were good," Policy said.

"But if it goes well in the playoffs, it's a slam dunk for March," he added.

The league experimented with the challenge system in 10 games each in the 1996 and 1998 seasons.

In that system, coaches received two challenges. If they used a challenge during the last two minutes of each half, they were penalized with a time-out if their claim was proved wrong.

The system was a compromise between the 1997 plan that failed to get enough votes, in which each challenge cost a time-out, and the 1998 plan, which also fell short of approval, in which a time-out was lost if the challenge proved wrong.

As in the past, the new proposal is expected to limit challenges to plays involving ball possession, in-bounds calls, whether a touchdown is a touchdown, whether a ball has been fumbled, and whether a ball was actually caught.

If the league returns to instant replay, it would join the National Hockey League as the only major U.S. sport to have it.

For Sale: McGwire's 70th Home Run Ball

By Charlie Nobles

New York Times Service

FORT LAUDERDALE, Florida — Mark McGwire's historic 70th home run ball will be put up for bidding early next month by Guernsey's, an auction house in New York.

The ball was hit into the stands in St. Louis by McGwire on Sept. 27, the final day of a regular season in which McGwire, with 70, and Sammy Sosa of the Chicago Cubs, with 66, both broke Roger Maris' record of 61 homers, set in 1961.

Guernsey's will also auction the available balls for home runs 61 through 69 hit by McGwire and Sosa. McGwire's 70th home-run ball was

retrieved by Philip Ozersky, 26, a scientist at the medical school at Washington University of St. Louis.

"They know how to pull off an auction of this size," Michael Freedland, the Fort Lauderdale attorney who represents Ozersky, said Monday of Guernsey's.

"And they're going to do an on-line auction simultaneously," he added.

After more than two months of sifting through offers, Mr. Ozersky decided to opt for the auction rather than accept other offers.

Three memorabilia collectors, represented by a St. Louis attorney, Alan Cohen, have offered \$1 million for the ball.

If the ball does not attract a min-

imum price at auction — which Freedland declined to divulge — Ozersky can retain rights to it. But it appears as if \$1 million is the threshold for a winning bid.

Freedland estimates Ozersky has received more than 500 inquiries about the ball.

The ball has been sitting in the St. Louis Cardinals' Hall of Fame for about two months, and was marked with synthetic DNA to make it certifiably identifiable.

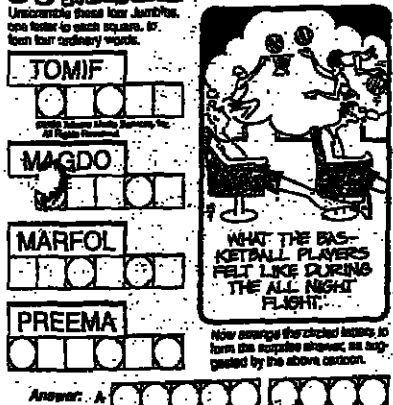
Sosa was scheduled to be at a news conference at Trump Tower in Manhattan on Tuesday to announce the availability of the home run balls and to confirm his intention to autograph his most important ones.

DENNIS THE MENACE



"CAN WE PLAY HIDE-Y-SEEK OVER HERE? JOEY KNOWS ALL THE HIDE-PLACES IN MY HOUSE."

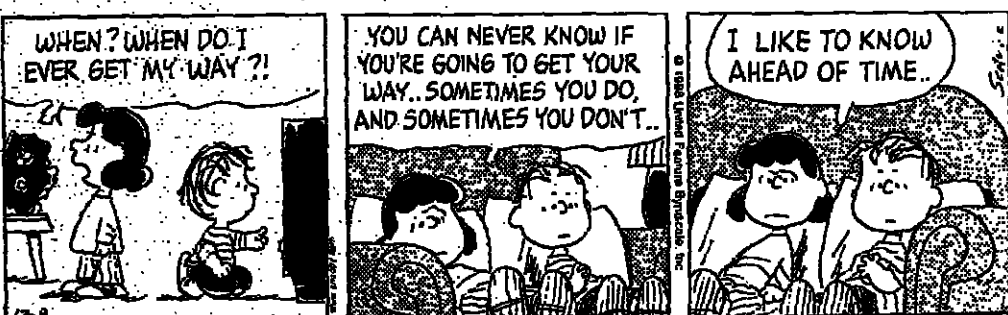
JUMBLE



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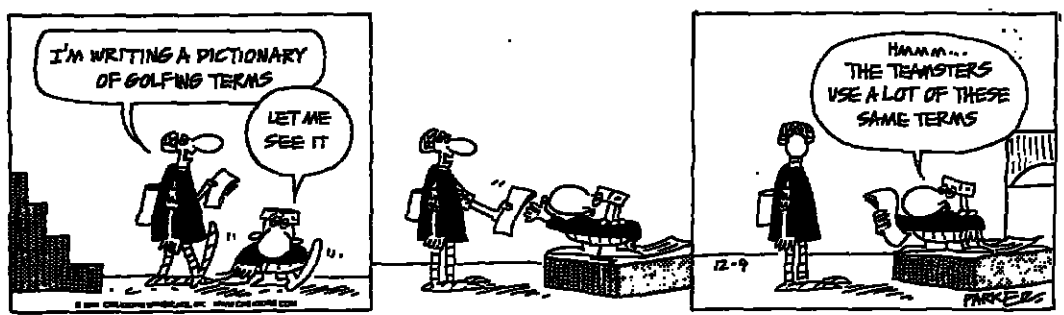
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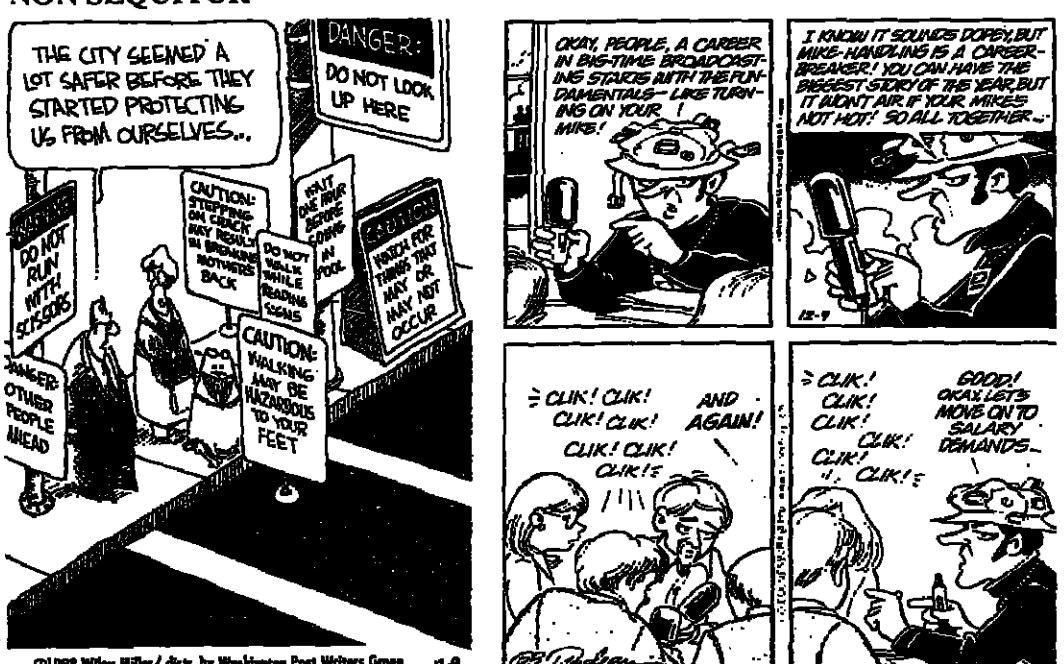
CALVIN AND HOBBS



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FRANCE	FF	520	260	260
GERMANY	DEM	1,120	560	560
GREAT BRITAIN	£	52	26	26
HONG KONG	HKS	725	362	362
ITALY	LIR	28,000	14,000	14,000
JAPAN	¥	150,000	75,000	75,000
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NORWAY	NOK	200	100	100
SINGAPORE	S\$	161	80	80
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OBSERVER

Thoughts on Dentistry

By Russell Baker

NEW YORK — If God had truly made man in His own image, as widely alleged, there would be no dentists. No designer in his right mind, much less a perfect and omnipotent God, would have sent for teeth at the top of the human eating mechanism.

Had some draftsman shown Him blueprints featuring a tooth-equipped jaw, God would surely have said, "Pshaw! I can do better than that," and that would have been the end of teeth.

Instead, I spent two hours the other day with a mouth full of cotton, metal, slowly hardening plastics, rubber gloves and a variety of other people's fingers. After the usual moment of self-pity, I tried lifting a sinking spirit to the good old-fashioned way: to wit, by looking on the bright side.

Suppose man had no teeth. Would politics be possible without teeth flashing to mask faces terrifying with insincerity? What would have become of the Kennedys, of Ronald Reagan, Jimmy Carter, Nelson Rockefeller, Teddy Roosevelt?

Think of George Washington with his famous false teeth and painfully clamped lips. Father of our country he may have been, but he lacked teeth that dazzle.

A world without teeth? It would mean lovers on tube and screen preparing to kiss with no sparkling incisors and canines to bare to the camera. Today's entertainment lovers go at each other with widely parted jaws and dripping teeth, like those lions on PBS that are always chewing on poor, helpless wildebeests.

With no toothpicks pouring off the factory line, how could we tell when the cake is done?

Yes, it is thin stuff, and two hours is long. The dental chamber, however, offered another distraction: television.

The set, mounted at ceiling height with its greedy salesman's eye staring down, was tuned to one of those perpetual news channels.

Two Congressmen spoke of their respect for the Constitution. Snow was falling on Western mountains. Children had murdered their parents. Parents had murdered their children. President Bill Clinton had let photographers show him exuding the look of leadership. Extravagantly paid athletes said they were being "disrespected."

Forced to watch this for two hours, I was astonished by the intense concentration on money. Commercial after commercial urged viewers to turn over money to this bank, that brokerage house.

Did banks and brokers advertise constantly — or at all — on TV before the present Golden Age of Money? It was as depressing as a Novocaine needle to sit there awash in all this appalling evidence that so many lives are now consecrated to the money game.

Money, money, money, money was apparently the perpetual news. There were minute-by-minute bulletins from Wall Street. The Dow was up, the Dow was down, the Dow was steady.

Actors posing as bankers and brokers were pleading for money and promising happiness, which apparently would ensue once you were chin deep in money. Was it for this that Americans died at the Alamo? And won the battle of Midway? And heroically suffer the consequences of faulty jaw design?

New York Times Service

By Mishi Saran

HONG KONG — The Sri Lankan Romesh Gunasekera is one of the many new voices that have emerged from what used to be British colonies.

Like many others from the Indian subcontinent, from the Caribbean, from Africa, he incorporates flavors of his country into the English language, forging his own cadences and weaving stories that cross continents and cultures.

For many such writers, English is a first language that comfortably co-exists with local tongues — they often borrow from each other.

Gunasekera, who moved to Britain as a youth, found himself in the spotlight when his first novel, "Reef," was nominated for the Booker Prize in 1994. His lyrical prose and intensely poetic descriptions of Sri Lanka appeared to delight readers.

This year, Gunasekera published a second novel, "The Sandglass," this time about the history of Sri Lankan clans told through the eyes of Chip, a family friend who becomes close to one clan's matriarch, Pearl, and her children, Prins, Anoja and Ravi. The book begins with Pearl's death and traces Chip's attempt to understand her past.

"I write because that's the way I think, it's the way I live in a sense," Gunasekera said during an interview in Hong Kong. It is, he said, his way of creating a balance in the world.

His new story moves lazily between the years, shuttles back and forth between East and West and lingers over inconclusive conversations. The earlier poetry of "Reef" is scattered in careful, bite-size pieces instead of liberally splashed, the characters were flatter, but perhaps more sophisticated.

It is vintage Gunasekera, a careful picking apart of the past, a story straddling cultures and years and woven around things irretrievably lost.

In Hong Kong to teach a course.

Gunasekera sits in a sunny, abandoned classroom. If his answers spill into philosophical abstractions, he says, it is because he really does not have many concrete opinions.

What about that convoluted issue of identity? What space do you write from if you are a man in your early 40s, born in Sri Lanka, raised partly in Southeast Asia, who has lived a good many years in the United Kingdom?

Gunasekera is uneasy with labels, with pat definitions and easy explanations. He studied philosophy, to see if it explained the intricacies of how people think — it did not help, he says, why. His bursts of laughter are more ironic than a sign of amusement.

"Identities are made out of history, mythology, invention and fiction quite a lot, they change, they're never set," he says. He likes mixtures, he says, the way things refuse to stay in one place. In other words, hard to pin down into neat slots, rather like himself.

He does speak Sinhalese, but has not lived in Sri Lanka for many years. Still, his writing is imbued with what can only be called Sri Lankan-ness in its settings, its characters and their concerns. Perhaps in the end, as Gunasekera would have us believe, there is no such thing as a concrete identity, just a set of individual or collective memories.

That, at any rate, is what some of his characters believe. In "Reef," the master of the house tells the young cook Triton: "We are only what we remember, nothing more. All we have is the memory of what we have done or not done; whom we might have touched, even for a moment."

"The Sandglass," too, is about remembering — whether one remembers simply what is convenient.

"Mortality. Things pass away, they disappear, die, all of that. Probably most novels are written for that reason," he says.

His works certainly display a desire to reach out and grab history as



Romesh Gunasekera: Identities change; they're never set.

it happens and somehow store it for the future. And so for both author and his creations, stories become a way of grappling with what happened and how they finished happening.

Pearl would recount the story of those early days with such candor that I felt I was there with her, an invisible eavesdropper in the twilight of a campfire age. Gunasekera writes early on in "The Sandglass," which, like "Reef," was published by Granta Books.

Gunasekera writes with care and a meticulous attention to detail. "Writing involves re-creating something, it involves communication, it has to involve some structure, you make something," he says.

"If I'm writing a novel, I'm creating an object to, some extent, which means you have to write it and work on it, work on the writing to try and make it as complete as possible and as finished as possible. And that requires a lot of

rewriting and reworking and understanding somehow the way that particular thing works."

Some readers say his novels look backward, but Gunasekera says they look in the only direction anyone can look, because that is all you can see.

And so, he cannot disentangle the past in Sri Lanka, as it was, as a particular period of time. "I suppose my childhood was comfortable, it wasn't necessarily happy," he says. "But I can have a sob story about it or I can have a happy story about it."

So it is with views of his book "Reef." Some see it as idyllic, looking back at some sort of paradise, while others see it as actually very traumatic. "The childhood described there can be seen both ways," he says, "just as childhood actually is." It can be anxious, it can be terrifying, it can be very, very brutal, in some sense. "I can explore it in books, more than anything else."

And for any writer, no work

comes before its time, he says. Gunasekera spent a good many years composing letters to editors, scanning rejections, unable to even admit consciously to himself that he wanted to be a writer.

Still, he had feedback from a loose group of elders, and he persisted. A writer could spend decades writing poems, even good poems, before figuring out that he was in fact meant to have been a novelist, Gunasekera said. Yes, he wrote a good number of poems.

He confesses he often finds it difficult to finish books others have written — there is after all, no such thing as a good book. What people like to read changes with the years, he says. What one person finds appealing, another will spurn. In the end, the writer must judge his own work — harshly.

But as a writing teacher, he withholds the scathing criticism he applies to his own writing. He is encouraging and listens attentively to students read out their efforts.

It is interesting, he says, to read others' writing at a raw, unfinished stage. But teaching is exhausting to the imagination and writers finally must pour their energies into their own work. So he jealously guards his time and tries to limit his contact with people. "It's much easier to do an interview than actually sit down and write," he smiles.

Gunasekera lives with his wife and two daughters in London. (Like "Reef," which was given a title a few nerve-wracking moments before the book went to press, his daughters were named shortly before they were born.)

He is content with the novel's form; he finds he can lace it with enough poetry for his satisfaction. And he still writes because he has to.

"There is not much choice about it. And one day I won't be able to write. Either the world will be in balance for me, or..." He does not finish the thought.

Mishi Saran is a writer in Hong Kong.

PEOPLE

THE FBI opened its Frank Sinatra files Tuesday, releasing more than 1,300 pages of documents touching on the Chairman of the Board's mob ties, unproved allegations of ties to the Communist Party and a mug shot from his 1938 arrest on "seduction" charges. The documents offered a hodgepodge of facts, allegations and rumors about Sinatra. According to the FBI, Sinatra had seen the material after filing a request in 1979 and 1980. The papers also indicate that the FBI received information on Sinatra from the columnist Walter Winchell. A 1944 Winchell item about alleged threats to kidnap Sinatra's baby was duly noted. And Winchell tipped the FBI that same year that Sinatra had paid \$40,000 for a 4-F draft classification during World War II. An investigation found Winchell's charge was baseless. The files were released in response to requests by news organizations under the Freedom of Information Act.

The jazz trumpeter Arturo Sandoval has become a U.S. citizen, eight years

after defecting from Cuba while on tour with Dizzy Gillespie. "I never wished to have to escape from my own land," said Sandoval, who was granted political asylum in 1990. "It does not make me feel happy to give up my own citizenship."

The model Cindy Crawford and her husband, Rande Gerber, escaped se-

rious injury after Gerber swerved his Jeep to avoid horses galloping on the Pacific Coast Highway in California and crashed into a cement mailbox. Paramedics flushed Crawford's eyes with water as a precaution against any possible glass fragments, but neither of them was hospitalized.

The John F. Kennedy Library and

Changes Ordered at the Warhol Foundation

New York Times Service

NEW YORK — After a long investigation of the Andy Warhol Foundation for the Visual Arts in response to allegations of waste and mismanagement, the New York State attorney general has found that the foundation will have to comply with strict new financial controls.

The foundation must form an audit committee, hire a new chief financial officer and introduce tighter accounting and bookkeeping procedures. It must also open its books to the attorney general's office for review four times a year, rather than annually. Matt Sansverie, chief of the attorney general's charities bureau, said he had found no legal wrongdoing by the foundation, which was created after the artist's death in 1987 to promote the visual arts. He declined to specify what led his office to impose the financial monitoring.

Museum in Boston has presented its Profile in Courage Awards to the architects of the peace accord in Northern Ireland. Caroline Kennedy, daughter of the late president, credited the honorees with committing themselves to "reducing divisions between Unionists and Nationalists, and to building bridges between these proud communities for the future."

Robert Downey Jr. won praise from a municipal judge for making progress in drug rehabilitation but still has to complete his 100 hours of community service. "You're doing a lot better than you did in the past," Judge Lawrence Mira said at a hearing in Malibu, California. "Keep up the good work." Mira gave Downey six months to complete his community service. The actor was stopped for speeding in 1996 and the police found cocaine, heroin and a pistol in his vehicle. His probation was revoked and he was sentenced to six months in jail, but he was released in March after 113 days.



CAPTIVE AUDIENCE — Queen Elizabeth the Queen Mother during a ceremony on Tuesday at a theater in London to unveil a statue of Sir Noel Coward, British actor and playwright, who died in 1973.



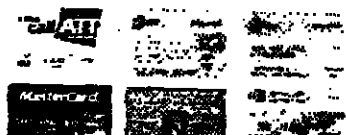
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